



Liberty Procurement Co. Inc.
Bed Bath & Beyond Canada L.P.
650 Liberty Ave. Union, NJ 07083

2/21/2018

CHF INDUSTRIES INC.
5100 CHURCH & WATSON ST
LORIS, SC 29569

Dear Spencer Foley,

This letter is to detail our recently negotiated agreement. Unless otherwise stated herein, or in a subsequent writing signed by all affected parties, this agreement shall apply to all transactions between any of the vendor entities listed below and Bed Bath & Beyond, Inc. or any of its subsidiaries, including but not limited to Liberty Procurement Co., Inc., Christmas Tree Shops, Inc., Harmon Stores, Inc., buy buy Baby, Inc. and Bed Bath & Beyond Canada L.P.

Vendor(s) associated with this agreement (All vendors are associated with the agreement unless noted otherwise):

1868 - CHF INDUSTRIES INC.
44786 - CHF INDUSTRIES INC/DONNA KARAN HOME
45711 - CHF INDUSTRIES INC./ROXY
45712 - CHF INDUSTRIES INC./QUIKSILVER
46914 - CHF INDUSTRIES INC./REAL SIMPLE
47330 - CHF INDUSTRIES INC/MARC ECKO
47141 - CHF INDUSTRIES/PERRI DIV/KATE SPADE
50021 - CHF IND./KENNETH COLE PRODUCTIONS
50461 - CHF INDUSTRIES INC./WAMSUTTA

Initial Agreement Term: 2/23/2018 to 12/31/2018

Renewal Term: All terms and conditions set forth herein will automatically renew for successive one year periods unless either party provides written notice to the other party at least thirty (30) days prior to an automatic renewal that such terms and conditions shall not renew.

Agreement Sections:

Damage Allowance Each Invoice

Your signature below confirms that you agree to a 3% damage allowance and that you agree to pay any additional amount at the end of our fiscal year if the actual damages, including associated inbound freight paid by Bed Bath & Beyond, exceed the negotiated percent.

Associated Vendors: CHF INDUSTRIES INC.

Damage Allowance Each Invoice

Your signature below confirms that you agree to a 3% damage allowance and that you agree to pay any additional amount at the end of our fiscal year if the actual damages, including associated inbound freight paid by Bed Bath & Beyond, exceed the negotiated percent.

Associated Vendors: CHF INDUSTRIES INC/DONNA KARAN HOME

Damage Allowance Each Invoice

Your signature below confirms that you agree to a 3% damage allowance and that you agree to pay any additional amount at the end of our fiscal year if the actual damages, including associated inbound freight paid by Bed Bath & Beyond,



Liberty Procurement Co. Inc.
Bed Bath & Beyond Canada L.P.
650 Liberty Ave. Union, NJ 07083

exceed the negotiated percent.

Associated Vendors: CHF INDUSTRIES INC./ROXY

Damage Allowance Each Invoice

Your signature below confirms that you agree to a 3% damage allowance and that you agree to pay any additional amount at the end of our fiscal year if the actual damages, including associated inbound freight paid by Bed Bath & Beyond, exceed the negotiated percent.

Associated Vendors: CHF INDUSTRIES INC./QUIKSILVER

Damage Allowance Each Invoice

Your signature below confirms that you agree to a 3% damage allowance and that you agree to pay any additional amount at the end of our fiscal year if the actual damages, including associated inbound freight paid by Bed Bath & Beyond, exceed the negotiated percent.

Associated Vendors: CHF INDUSTRIES INC./REAL SIMPLE

Damage Allowance Each Invoice

Your signature below confirms that you agree to a 3% damage allowance and that you agree to pay any additional amount at the end of our fiscal year if the actual damages, including associated inbound freight paid by Bed Bath & Beyond, exceed the negotiated percent.

Associated Vendors: CHF INDUSTRIES INC./MARC ECKO

Damage Allowance Each Invoice

Your signature below confirms that you agree to a 3% damage allowance and that you agree to pay any additional amount at the end of our fiscal year if the actual damages, including associated inbound freight paid by Bed Bath & Beyond, exceed the negotiated percent.

Associated Vendors: CHF INDUSTRIES/PERRI DIV/KATE SPADE

Damage Allowance Each Invoice

Your signature below confirms that you agree to a 3% damage allowance and that you agree to pay any additional amount at the end of our fiscal year if the actual damages, including associated inbound freight paid by Bed Bath & Beyond, exceed the negotiated percent.

Associated Vendors: CHF IND./KENNETH COLE PRODUCTIONS

Damage Allowance Each Invoice

Your signature below confirms that you agree to a 3% damage allowance and that you agree to pay any additional amount at the end of our fiscal year if the actual damages, including associated inbound freight paid by Bed Bath & Beyond, exceed the negotiated percent.

Associated Vendors: CHF INDUSTRIES INC./WAMSUTTA

Please sign below to evidence your agreement to these terms and return the signed document to your buyer. Thank you in advance for your timely response to this communication.



Liberty Procurement Co. Inc.
Bed Bath & Beyond Canada L.P.
650 Liberty Ave. Union, NJ 07083

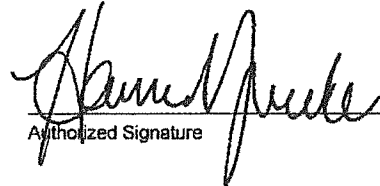
Sincerely,

Bed Bath & Beyond Buyer and / or Agent

The terms and conditions set forth in the Vendor Compliance Guide and Routing Guide for each BBB affiliated entity will continue to apply to such affiliate purchases, except to the extent such Guides are inconsistent with the agreement as outlined above.

I have read and agree to the above terms and conditions. If I am signing on behalf of the entity named above, I represent that I am authorized to bind the entity to this acknowledgement and agreement. I also agree that the above agreement terms shall apply to any BBB affiliated entity that my company does business with in the future, unless replaced or superseded by any other written agreement executed by the parties.

I understand that any funds provided by the above agreement for advertising may be used for markdown support, volume allowance, fixtures, freight, video monitors or at the discretion of Bed Bath & Beyond Inc. or any of its subsidiaries including but not limited to Liberty Procurement Co. Inc., Christmas Tree Shops Inc., Harmon Stores Inc., buy buy Baby Inc. and Bed Bath & Beyond Canada L.P. ("BBB"). All other funds provided by the above agreement may be applied at the discretion of BBB.


Authorized Signature

02/22/18
Date

Hannan Zucker
Print Name

Director - Account Mgmt
Title

**BED BATH &
BEYOND®**
Beyond any store of its kind.®

**buybuy
BABY®**



Vendor Compliance Guide

North American Vendors Only

Version 2014

Effective March 17, 2014

Contents

COMPLIANCE GUIDE ACKNOWLEDGEMENT - VERSION 2014	2
1.0 INTRODUCTION	3
2.0 TECHNOLOGY	4
3.0 PURCHASE ORDERS	5
4.0 MERCHANDISE QUALITY STANDARDS / CORPORATE POLICIES	9
5.0 ITEM INFORMATION / "FLOOR READY" REQUIREMENTS	9
6.0 FREIGHT TENDER / ROUTING INSTRUCTIONS	17
7.0 INVOICING	17
8.0 REMITTANCE ADVICE	19
9.0 RETURN TO VENDOR POLICY	20
10.0 DATED PRODUCT PROCESSING GUIDELINES	21
11.0 ADVERTISING POLICY	22
12.0 CHARGEBACK POLICY AND DISPUTE RESOLUTION	23
13.0 NEW LOCATIONS	23
14.0 INTERNATIONAL LOCATIONS	24
APPENDIX A – CHARGEBACK SUMMARY	25
APPENDIX B – CERTIFICATE OF INSURANCE REQUIREMENTS / ACKNOWLEDGEMENT OF VENDOR COMPLIANCE GUIDE, QUALITY ASSURANCE MANUAL, AND ROUTING GUIDE	27
APPENDIX C– STANDARD TERMS AND CONDITIONS	33
APPENDIX D – CONTACT INFORMATION	38

COMPLIANCE GUIDE ACKNOWLEDGEMENT - VERSION 2014

A Corporate Officer or a Principal must sign this acknowledgment and return it to the address listed below. If we do not receive a signed copy of the acknowledgment, your acceptance of orders will constitute vendor's acceptance of and assent to the terms and conditions set forth in the Vendor Compliance Guide. Vendor agrees that BB&B may modify or amend the Vendor Compliance Guide at any time. In the event of such modification, BB&B will notify vendor 10 days in advance of any such modification taking effect. Vendor's continued acceptance of orders 10 days after such notice shall constitute vendor's acceptance of and assent to any such modifications.

Company Name: _____ Vendor #: _____

Signed: _____

Name: _____ Title: _____ Date: _____
(Print)

In order to ensure that we have the most up to date contact information, please provide us with a point of contact in EDI/Technology, main contact, and an executive contact in charge of compliance.

EDI Contact Name: _____ Telephone: _____

E-mail address: _____

Vendor Compliance Contact Name: _____ Telephone: _____

E-mail address: _____

Executive Responsible for Vendor Compliance Contact Name: _____

E-mail address: _____ Telephone: _____

Please send this completed and signed form to the following address:

Bed Bath & Beyond
650 Liberty Ave.
Union, New Jersey 07083
Attn: Supply Chain Performance Department
Re: Vendor Compliance Guide Acceptance
Fax: (908) 688-0413

1.0 Introduction

Bed Bath & Beyond and its subsidiaries, including Liberty Procurement Co. Inc., buybuy BABY, and Harmon/Face Values (collectively "BB&B") are dedicated to developing and maintaining strong relationships with its vendors to assure timely and efficient delivery of merchandise to our stores and customers.

This Guide supersedes all previously issued versions and is effective immediately.

Vendor Compliance is a key component to realizing the following benefits:

- Improved in-stock position
- Increased sales and reorders
- Shipment visibility
- Reduced proof of pickup (POP)/proof of delivery (POD) requests
- Improved invoice processing

A dedicated team at BB&B will be responsible for providing assistance to vendors to support the overall success of the Vendor Compliance Program. The Supply Chain Performance Department will:

- Clearly define requirements
- Actively monitor performance
- Communicate issues and successes
- Partner with our vendors to increase overall compliance

In conjunction with the Vendor Compliance Program, BB&B has developed a cost recovery policy for instances of non-compliance. Costs were carefully examined to ensure that charges were proportionate to the impact on the business. The resulting chargebacks are not intended to generate income, but have been established to offset the expenses incurred by BB&B and to encourage compliance.

BB&B has made and will continue to make a substantial investment of human, financial and technical resources to improve our supply chain. The implementation of these initiatives will significantly improve the efficiency and competitiveness of our trading partners. As such, BB&B reserves the right to assess a charge of one percent of all receipts to help support these initiatives.

Merchandise quality standards, including the BB&B Product Validation Program which includes testing and inspection, the BB&B Social Compliance Program, BB&B Corporate Policies with respect to merchandise standards, and other product compliance legal highlights, are now located in the BB&B Quality Assurance Manual.

1.1 Vendor Support

In order to assist vendors in meeting the requirements of the Vendor Compliance Program, the BB&B Vendor Support Site contains the following features:

- Current version of the Vendor Compliance Guide
- Current version of the Quality Assurance Manual
- Frequently Asked Questions (FAQ's) and answers
- EDI Mapping Standards
- Links for questions and comments
- Store listings
- New store opening and shipping schedule

For additional support, vendors may contact Vendor Support. Any inquiries, comments or concerns may be directed to the Vendor Support. The website address and Vendor Support contact information can be found in Appendix D.

1.2 Ethical Conduct Policy

It is the policy of BB&B to conduct all its business transactions in accordance with the highest ethical standards and all applicable laws (including but not limited to the U.S. Foreign Corrupt Practices Act). No individual who is employed by or who represents BB&B, and no individual or entity that contracts with BB&B or otherwise performs services on behalf of BB&B, is permitted to solicit, accept, offer, promise or pay any bribe, kickback or any other improper payment of money, products or services. This includes, but is not limited to, any improper payment in exchange for (i) BB&B issuance of a purchase order, execution of any agreement, etc., (ii) any action taken by such individual on behalf of BB&B, or (iii) any action taken by a third party. Any individual or entity having a business relationship with BB&B shall require any subcontractor (of any level) to adhere to the same standards and are expected to appropriately monitor their subcontractors to ensure such adherence. If any such improper actions are observed, please contact our Legal Department (Attention: General Counsel) at 908-688-0888 so that the incident may be fully investigated and remedial action taken.

2.0 Technology

2.1 EDI Document Requirements

BB&B requires our vendors to trade business documents utilizing Electronic Data Interchange (EDI). BB&B requires our vendors to issue and receive the following EDI transactions.

Issue

- 810 - Invoice
- 997 – Functional Acknowledgement
- 856 - Advanced Shipment Notice (ASN)
- GS1-128 Carton Labels

Receive

- 816 - Organizational Relationship
- 850 - Purchase Order
- 860 - Purchase Order Cancellation
- 864 - Text Message
- 997 – Functional Acknowledgement

Purchase orders are sent 7 days a week. All cartons shipped to BB&B must have a GS1-128 carton label. Advance Shipment Notices (ASNs) for all shipments should be sent no later than 2 hours after the shipment leaves your warehouse. ASNs can be sent prior to the shipment leaving your warehouse. There must be a unique invoice for each Store Location and Purchase Order. BB&B will use the 864 (Text Message) to automate the notification of ASN and invoice errors. BB&B EDI Mapping Standards are available on the BB&B Vendor Support Site. Please see Appendix D for EDI contact information and website addresses.

2.2 E-mail Communications

To further both the ease and the effectiveness of e-mail communications of an operational nature, BB&B has established a specific email address standard for our vendors. Vendors must create a “generic” email address as follows:

BBBinfo@(your internet domain)
e.g.: BBBinfo@vendor_name.com

Please give access to and/or route this address to the appropriate person(s) in your organization, and keep this access/routing up to date. Please also ensure that this address is checked daily (at a minimum) for any correspondence. This will ensure that we can maintain consistent contact despite any temporary or permanent changes in personnel or responsibilities. It is each vendor's responsibility to implement and utilize this process. Failure to establish and/or regularly retrieve messages sent to this address may result in compliance failures and deductions due to missed communications. Vendors utilizing a third party provider to manage outbound shipments, which may also ship to BB&B for other vendors, must ensure that this email address is unique to their business.

Please create this address within 14 days of receipt of this guide and send an email from this address to Vendor Support to confirm. If you have any questions please contact Vendor Support. (Please refer to Appendix D for Vendor Support contact information).

2.3 Purchase Order, Inventory and/or Warehouse Management System Changes

Vendors must notify BB&B, via e-Mail to Vendor Support, at least 180 days prior to the implementation of any significant operational and/or informational systems changes, including, but not limited to, Purchase Order, EDI, Inventory and/or Warehouse Management processes or systems that may in any way adversely impact the vendor's ability to service BB&B. The purpose of this notification is to ensure that BB&B is aware of the intended change. In some cases BB&B may contact the vendor for further information. Regardless of the nature of the communication between BB&B and the vendor, it is essential that the vendor undertake all necessary design, testing, implementation, and contingency planning steps to ensure that no performance or compliance failures result. The responsibility of the vendors to meet or exceed all BB&B performance and/or compliance requirements will not be mitigated as a result of circumstances, foreseen or unforeseen, which may occur during any such implementation.

Please Note: If the pending change involves any shipping or packing practices including, but not limited to a change in shipping location, the vendor is required to secure written approval from BB&B prior to execution. Should it be determined by BB&B, that the change will add to its operating costs, or in any other way be disadvantageous to BB&B, the vendor will be required to reimburse BB&B (by means of a separate and on-going deduction) for the amount of the anticipated additional expense or loss.

3.0 Purchase Orders

3.1 Ship and Cancel Dates (Excluding Store Numbers 8000 - 8999)

Purchase Order Requirements

- Vendors must be able to receive and acknowledge purchase orders sent electronically from BB&B.
- Vendors must ship in accordance with stated BB&B ship and cancel dates (as defined below).
- Goods not shipped within ship and cancel dates may be cancelled at the discretion of the buyer or store.
- Quantities, styles, colors, sizes and planned assortments must be shipped as indicated on the purchase order.

All BB&B purchase orders will transmit with a **ship date** and some will also include a **cancel date**. It is important that all vendors understand the meaning of these dates as defined below:

Ship Date

This is the date that merchandise should be tendered to the carrier. Orders for existing stores will be considered early and subject to chargebacks if they are shipped 2 or more days before the ship date. Orders for existing stores that are not shipped within 14 days (ship date plus 13 days) will be considered late and subject to chargebacks or, at buyer's discretion, to cancellation.

- BB&B allows a "15 Day Window" (from 1 day before through 13 days after the SHIP DATE) for (existing store) orders to be shipped in a "compliant" manner. New Store orders do not have a ship "window" and must be shipped exactly as directed on our vendor support site (<http://www.vendor.bedbath.com> and <https://partners.bedbath.com>). Please see section 3.3 for further details.
- Chargebacks will range from 5-20% of the cost of goods in violation. This percentage is based upon the number of days that a shipment is tendered to the carrier before or after the ship date.
- Orders (or parts of orders) that are never shipped are also subject to a charge.
- Chargebacks are in proportion to the amount of the order in violation. For example, if 95% of any order is shipped within the 15-day window, and 5% is shipped outside of the window or not shipped at all, only the 5% portion is subject to a charge. See Appendix A for chargeback details.
- **Under no circumstances should a vendor opt not to ship an order in an attempt to avoid a late shipment charge. The charge for failing to ship is equal to or greater than the charge for shipping late.**

Cancel Date

- Not all purchase orders transmit with a cancel date.
- If the cancel date is less than 13 days after the ship date, vendors are required to ship by the cancel date. If, however, the cancel date is greater than 13 days after the ship date, vendors are required to ship within 13 days after the ship date.
- If a purchase order does not have a cancel date, the order should be considered valid to ship until the vendor is notified by BB&B that the order is cancelled. The 15 Day Ship Window and charges for late shipment or non-shipment apply.

3.2 Ship and Cancel Dates for Store Numbers 8000 – 8999 ONLY

Purchase Order Requirements

- Vendors must be able to receive and acknowledge purchase orders sent electronically from BB&B.
- Vendors must ship in accordance with stated BB&B ship and cancel dates (as defined below).
- Goods not received within receipt and cancel dates may be cancelled at the discretion of the buyer or store.
- Quantities, styles, colors, sizes and planned assortments must be shipped as indicated on the purchase order.

All purchase orders for store numbers 8000-8999 will transmit with a **ship date** and some will also include a **cancel date**. It is important that all vendors understand the meaning of these dates as defined below:

Ship Date

Purchase orders for stores 8000 - 8999 indicate a ship date. "**Receipt Date**" is calculated by adding 7 days to the Ship Date indicated on the purchase order. This is the date that merchandise should be received into the store or warehouse. Orders that are not received within 14 days of the Receipt Date (i.e. 21 days after the ship date) will be considered late and subject to chargebacks.

- Chargebacks will range from 5-20% of the cost of goods in violation. This percentage is based upon the number of days that an order is received past the 14th day.
- Orders (or parts of orders) that are never received are also subject to a charge.

- Chargebacks are in proportion to the amount of order in violation. For example, if 95% of any order is received within the 14-day window, and 5% is received outside of the window or not received at all, only the 5% portion is subject to a charge. See Appendix A for chargeback details.

Cancel Date

- Not all purchase orders transmit with a cancel date.
- If the cancel date is less than 14 days after the Receipt Date, the merchandise must be received by the cancel date. If, however, the cancel date is greater than 14 days after the Receipt Date, the merchandise must be received within 14 days after the Receipt Date.
- If a purchase order does not have a cancel date, the order should be considered valid to ship until the vendor is notified by BB&B that the order is canceled. The receipt window and charges for late receipt or non-receipt apply.

3.3 New Store Purchase Orders

- It is sometimes necessary for BB&B to change a New Store ship date after a purchase order has been released. It is therefore necessary for vendors to confirm New Store ship dates on a regular basis. In addition, vendors should validate the ship date one business day prior to releasing their New Store shipments to ensure the date is still valid for each location.
- All (initial and subsequent) New Store Orders must be shipped on the "exact" date (if shipping Prepaid or Collect direct to store) or "week of" date (if shipping via consolidator or direct to pool) noted on the New Store Shipping Schedule. **There is no "ship window" specific to new store orders.**
- A New Store Order cancellation may be received by a vendor via EDI 860 transmittal, fax or email. Please carefully review any change request received via fax or email in order to confirm a PO change is not misconstrued as a total PO cancellation.
- If a portion of merchandise specific to a New Store Order is not available to ship on the prescribed ship date noted per the New Store Shipping Schedule, please ship the available merchandise on the prescribed ship date and ship the balance as it becomes available.
- Chargebacks will be assessed for early or late shipments. See Appendix A for chargeback details.

3.4 Backorders

If there are items on the purchase order that will not be sent with the initial shipment, the vendor should consider the order active and ship the backorder until it has been canceled by BB&B. The same rules for late shipment and/or non-shipment apply as stated above. **PLEASE NOTE:** Backorders are not permitted for purchase orders from store numbers 8000 - 8999.

3.5 Ship Complete Flag

Purchase orders that are identified as **"ship complete"** must be shipped 100% complete and on time. If the order cannot be shipped complete within the 15-day window contact the buyer for shipping instructions. Partial shipments on orders designated as "ship complete" will be subject to chargebacks if written approval is not received from the buyer prior to shipment. See Appendix A for chargeback details.

NOTE: THIS SPECIFIC CHARGE REFERS ONLY TO ORDERS WITH THE "SHIP COMPLETE FLAG" IN THE HEADER (see the Corporate EDI Mapping Standards on our web-site listed in Appendix D for details). . BB&B EDI Mapping Standards are available on the BB&B Vendor Support Site. Please see Appendix D for website addresses.

3.6 Purchase Order Changes

Changes or cancellations to purchase orders must be honored by the vendor prior to the point that vendors establish a pickup appointment for the purchase order.

3.7 Cancelled/Substituted/Unordered Merchandise

Additional, unordered, substituted or cancelled merchandise that is shipped will result in chargebacks, and may be subject to return or refusal at the vendor's expense. See Appendix A for details.

3.8 Samples

Merchandise Samples

- BB&B does not pay for merchandise samples, even if samples are sent in response to a request by BB&B.

Display Samples

- BB&B does not pay for display samples.

Sample Returns

- Arrangements must be made with the buyer for sample returns.
- Vendors must issue a call tag along with samples.

- Vendors are responsible for all freight charges for sample returns.

3.9 Special Orders / Custom Orders

BB&B takes great pride in its customer service and assortment. BB&B offers the option of "Special Order" items to our customers to increase the breadth and attractiveness of our product offering. Special Orders are paper PO's faxed to the vendor by each store. The PO will say "Custom Purchase Order" on the top of the PO as shown in the example on page 8. These Special Order items are typically not available in store as part of our everyday assortment. **Because special orders require a certain lead time to fill, they are subject to a different set of shipping, invoicing and carton labeling rules.**

Shipping Special Orders

The "Ship Date" is the latest date that merchandise should be tendered to the carrier. Special Orders will be considered late if they are shipped after the "Ship Date."

Please note that because these orders are time-critical, it is the vendor's responsibility to provide a reliable estimate of lead time in order to meet customer expectations.

- Vendor "Ship Date" is mutually agreed to by the BB&B buyer and vendor. **"Ship Date" reflects MAXIMUM lead time vendor requires in order to ship the product.**
- The Special Order Associate will follow up with the vendor via fax to confirm the "Special Order."
- Vendor will need to get back to BB&B within 3 days of PO creation if they are not going to meet the expected ship date and/or if the PO cost is incorrect. Otherwise, it will be assumed that the order is valid. BB&B reserves the right to cancel the order within 3 days of PO creation.
- Vendor may ship anytime before the ship date. Early and complete shipments are preferred.
- Chargebacks will reflect 20% of retail price in the event that the product arrives damaged or ships after the PO ship date. This is to cover the costs of customer accommodation that BB&B incurs.
- For orders not shipped complete by the ship date, chargebacks will be assessed on the remainder of the order.
- **Under no circumstances should a vendor opt not to ship an order in an attempt to avoid a late shipment charge. The charge for failing to ship is equal to or greater than the charge for shipping late.**

Special orders that are not shipped on or before the ship date will be considered late and subject to chargebacks or, at BB&B's discretion, to cancellation. Please note that receipt of damaged product may also compromise customer expectations. It is critical that these products arrive in damage-free condition. Chargebacks will be assessed for late or damaged shipments. See Appendix A for chargeback details.

EDI Compliance for Special Orders

All vendors are required to be EDI compliant with regards to GS1-128 labeling, sending ASNs and invoicing. In the event that a vendor cannot be compliant for a non-EDI special order, the vendor should follow the below procedures for carton labeling and invoicing.

Invoicing Special Orders

The attached Special Order PO example highlights the 4 fields that **MUST** be included on and consistent with all invoices for Special Orders:

1. PO #
2. Store # that placed the order
3. UPC number of the item being ordered as it occurs on the PO
4. Cost from PO

Page: 1

BED BATH & BEYOND
CUSTOM PURCHASE ORDER (VENDOR)

1/10/11
11:03:51

PURCHASE ORDER #: FJ72638 ← #1

Release date:

Estimated ship date:

VENDOR: BABY APPLESEED /NURSERY SMART SHIP TO: Addison bbBaby
Address: 15269 DON JULIAN ROAD Address: buy buy Baby Store #3027 ← #2
13900 Dallas Parkway
City: CITY OF INDUSTRY City: Dallas
St/Pr: CA Zip/Postal Code: 91745 St/Pr: TX Zip/Postal Code: 752404323
Country: U.S.A. Country: U.S.A.
Phone: 972-386-6809 Ext:

UPC / DESCRIPTION	VENDOR PART NUMBER	QUANTITY	COST
444444002754 DAVENPORT NIGHTSTAND-EXPRESSO	2441191609	1	159.990
TOTAL EXTENDED QUANTITY / COST:		1	159.990

VENDOR NOTES:

Buy Buy Baby-SO302712345678

PLEASE NOTE:

By shipping this order, Seller expressly agrees to indemnify, defend, and hold Buy Buy Baby harmless, and to pay all of Buy Buy Baby's expenses and legal fees relating to any claim, defense, settlement, and /or judgement on any allegation that the product above(i)violates any intellectual property right or any law or safety regulation or(ii) has caused injury to any to any person or propety.

Carton labeling for Special Orders

All cartons received for Special Orders should have an ORANGE label with the following information:

1. Vendor number
2. PO #
3. Customer name (taken from middle of BB&B PO under "Notes")
4. UPC number as it occurs on the PO
5. Item Description

VENDOR NO: _____
PO #: _____
CUSTOMER NAME: _____
UPC # ON PO : _____
ITEM DESCRIPTION: _____

3.10 Advertised, Seasonal, or "Time-Sensitive" merchandise

BB&B takes great pride in its customer service, and an integral part of customer service is being appropriately stocked on advertised, seasonal, or other "time-sensitive" items. It is essential that vendors ship these items complete and "on time". BB&B may at its discretion choose to expedite late shipments to ensure timely receipt at the store. Any additional expediting costs made necessary by the vendor's failure to ship on time will be the responsibility of the vendor. See Appendix A for further details.

4.0 Merchandise Quality Standards / Corporate Policies

Vendors must comply with all Federal, state/provincial and local laws, rules, guidelines and regulations in each jurisdiction in which BB&B conducts business including the United States, Mexico and Canada as per the BB&B terms and conditions set forth in Appendix C. In addition to legal compliance obligations, every vendor must comply with quality standards and corporate merchandise policies established by BB&B. BB&B is constantly looking for ways to improve in the area of corporate responsibility. In connection with this effort, we encourage our vendors to adopt a comprehensive program of responsible practices and to prepare a corporate responsibility (or "sustainability") report if they do not already do so.

Merchandise quality standards, including the BB&B Product Validation Program which includes testing and inspection, the BB&B Social Compliance Program, BB&B Corporate Policies with respect to merchandise standards, and other product compliance legal highlights, are now located in the BB&B Quality Assurance Manual.

5.0 Item Information / "Floor Ready" Requirements

5.1 Item Set Up

Vendors are required to completely, accurately and timely provide all requested product/item information to support the most efficient item set-up, distribution, advertisement and sales. The Vendor Item Set-Up Worksheet is used to collect product/item information. When (i) a new item is added to our assortment or (ii) an existing item requires updated or additional information, the Merchandise Data Operations team will email to you a Vendor Worksheet. Item(s) cannot be created in our systems until the completed Worksheet has been submitted and validated. Any delays will negatively impact our ability to place orders and sell your products in our stores, web sites and/or other selling platforms.

- Vendors must provide complete, accurate and timely information for all data elements requested on the Vendor Worksheet – this includes, but is not limited to, item attributes, international certifications, product dimensions etc.
- Vendor must return the completed worksheets within 3 business days of request.

- Product images must be uploaded within 3 business days to our FTP site per the instructions provided and meeting our specifications as outlined in the instructions.
- Information and/or image requests that are not submitted (or not accurately submitted) within the 3 business day window may be subject to a chargeback at a rate of \$5.00 per UPC per day.
- If a Vendor ships merchandise to any eCom fulfillment locations (653, 655, 657) but has not provided all requested product information, images and/ or samples to enable on-line selling, BB&B reserves the right to return all such products to the Vendor for full merchandise credit plus all related shipping, handling and carrying costs, as well as reimbursement for lost sales if thirty days have elapsed from the original request date or the original shipment (whichever is later).

5.2 Item Ticketing Requirements

BB&B requires a scannable UPC/EAN code with human readable characters on all items. In addition, BB&B may require Vendors to attach an approved retail price to certain items. BB&B buyers will specify products that require retail ticketing and provide specifications.

The following information must be found on all items:

- UPC/EAN bar-code and number with human readable characters
- Item description (i.e. supplier style, size, color, etc.)

Our ticket requirements should not act as a replacement for any statutory or other legally required labeling, including but not limited to:

- Care labeling
- Hazardous labeling
- Country of Origin labeling
- Labeling identifying the supplier by full corporate name, street address, city, state and zip code (unless instructed by BB&B to list *Bed Bath & Beyond*®, Union NJ 07083 as the distributor)
- Labeling with accurate declaration of net weight, measure and/or count, as applicable

5.3 UPC/EAN and Bar-code Requirements

- 100% accurate UPC/EAN to be provided to BB&B prior to the creation of a Purchase Order
- All individual retail selling units to be marked with a scannable UPC/EAN bar-code
- All UPC/EANs must meet requirements set by GS1
- Unique 12 digit UPC-A or UPC-D bar-code, or Unique 13 digit retail EAN bar-code
- An individual retail-selling unit is defined by a specific combination of style, size, color, etc

Vendors without the ability to create barcode labels may contact a supplier such as W-Print and r-Pac purchase labels. See Appendix D for contact information.

Bar-code Requirements are as follows:

- Minimum of 13 Mils no less than 80% coverage including quiet zone

Diagram 4.0
UPC Bar-Code Sample



Updating UPC/EAN

Changes and/or additions to UPC/EANs must be communicated, in writing, to the buyer twenty-one (21) days before the merchandise is shipped.

Placement

When unit retail price tickets are not required, all UPC/EANs should be placed on the back lower right hand corner, or where appropriate for that type of product. If hangtags are used, they must be attached with a "locking" nylon attachment. The UPC/EAN should not be placed over important information, such as style number, size, color, etc. See diagram 4.0.

5.4 Pre-ticketing Requirements

Please visit the **Packaging and Labels** tab on the Vendor Support Site (web address located in Appendix D) to review our pre-ticketing (with retail price) requirements. Please follow the "[price ticket and label specs](#)" link to review our ticketing specifications for each type of merchandise. Please also review the "No Price Ticket Items" section for a list of merchandise categories which are **not** to be ticketed with retail prices. Please contact our Packaging Group with any questions. (Please see Appendix D for contact information.)

ALL PRIVATE LABEL product that is made expressly for BB&B or made exclusively for BB&B MUST be pre-ticketed. The only exception to this would be if an item falls under a No Price Ticket area of the store. Hangtags should be priced on the back side and done as a perforation at the bottom.

5.5 Packaging and Labeling Requirements

Please visit the **Packaging and Labels** tab on the Vendor Support Site (web address located in Appendix D) to review our "shelf ready" packaging and labeling requirements, as well as contact information for approved label and package suppliers.

In addition, vendors supplying merchandise for any of the categories shown below must also download the associated Bag and/or Labeling specifications and ensure that all of requirements are met.

Categories with "Bag" Specifications	Categories with "Label" Specifications
Sheet Sets, Open Stock Sheets, Pillowcases Solid Comforters Fashion Bedding Bed Set and Complete Bed Set Birdie Template-Bed Set and Complete Bed Set Black and Tan-Bed Set and Complete Bed Set Promo Bedding Bed Set and Complete Bed Set, Super Set Duvets Standard, King and Euro Sham Free Standing Standard Sham and Euro Sham Bed Skirts, Free Standing Bed Skirt Juvenile Comforter Ensemble, Complete Bed Ensemble and Comforter Mini Set Comforter Drapery Large, Drapery Small and Mini Drapery CFB Drapery (Drapes that coordinate Fashion Bedding) Blankets, Throws Quilts, Bedspreads, Coverlet, Daybeds Mattress Pads, Pillow Protectors, Fiber and Feather Beds, Foam Mattress Pads, Mattress Covers Tablecloths, Dining Room Chair Covers	Sheet Set Bed Set and Complete Bed Set Duvets Duvet Mini Set Euro Sham Bed Skirt Comforter Ensemble, Complete Bed Ensemble and Comforter Mini Set Comforter Generic Drapery Blanket Quilt, Coverlet Oversized Label Quilt Set Quilt Mini Set Bedspread Daybed
Additional Packaging Specifications	
Die Line Guide Photography Bedding Requirements Generic Hangtag Peggable Wall Packaging Specs Decorative Pillow Requirements Window Hardware Napkins Sold in Sets of 2 Napkins Sold individually Napkins Ring Hangtag Runner, Placemats, Kitchen Rugs Kitchen Textiles/Hangtags Aprons Area Rugs Decorative Accent Rugs Doormats Frames, Photo Albums, Clocks, Mirrors, Wall Décor Closet Wall Packaging Spec OTD Door Hook Packaging Spec	

5.6 Apparel Hanger Requirements

The BB&B apparel Hanger Program is designed to ensure that apparel merchandise is received in a uniform fashion, pre-hung and floor ready. All apparel is to arrive on white opaque polypropylene hangers with child resistant size tabs attached to each hanger. It is the vendor's responsibility to purchase and apply the hanger and associated tab prior to shipment. Failure to pre-hang according to BB&B floor ready specifications will result in a vendor chargeback of \$0.40 per unit.

Note that if the vendor is shipping organic product, they are welcome to provide an eco-friendly alternative to the buyer for approval. Please also note that any print or logos on the hanger should be pre-approved by the buyer.

Expected standards for hangers by product use and size tabs are listed below.

Hanger style description

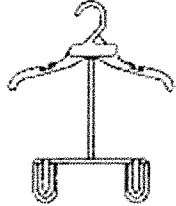
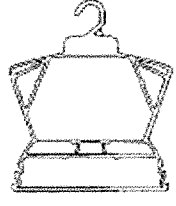
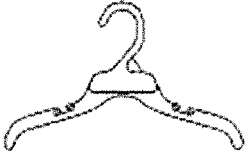

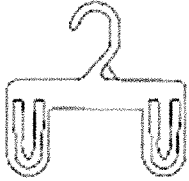
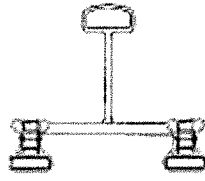
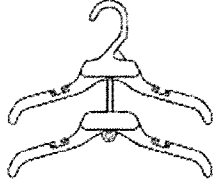
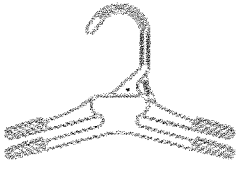


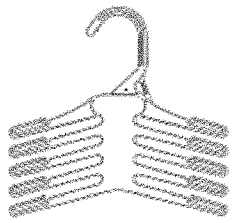
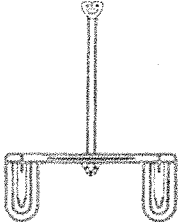

Product Uses	Description
General Clothing	8" Top Hanger 10" Top Hanger 12" Top Hanger 15" Outerwear
2 Piece Sets	10" Set With 7" Drop 8" Snap-on bottom hanger with 7" drop snap loop connector 8" Snap-on Pinch Clip Bottom with 4" drop
Swimwear	10" Frame Set
2 Pack Tees	10" Double Top Hanger With Snap Loop Connector
Pants/skirts	8" Pinch Clip 8" Bottom with Prongs
Blankets	4.5", 6", or 8 Hanger w/ Split Bar 8" 2 Tier Hanger
2 pack Bodysuits/Gowns	8.5" 2 Tier Hanger w/ Standard Hook
5 pack Bodysuits	8.5" 5 Tier Hanger w/ Standard Hook
All sized items	Size tab

Note: Where two or more hanger options are provided for each product use, any option may be used

Size tab description

Size tab	Description
SMALL	Small
MED	Medium
LARGE	Large
XL	X-Large
2T	02 Toddler
3T	03 Toddler
4T	04 Toddler
S4	Small 4
S0/6MOS	Small 0-6 Months
3MOS	3 Months
3/6MOS	3-6 Months
6MOS	6 Months
6/9MOS	6-9 Months
9MOS	9 Months
12MOS	12 Months
S12MOS	Small 12 Months
M12OS	Medium 12 Months
12/18MOS	12-18 Months
18MOS	18 Months
M18MOS	Medium 18 Months
L18MOS	Large 18 Months
18/24MOS	18-24 Months
24MOS	24 Months
24MOS2T	24 Months 2T
L24MOS	Large 24 Months
XL24MOS	X Large 24 Months

Please note: The hanger requirements illustrated above are minimums. It is at the vendor's discretion to determine whether a larger hanger is necessary based on the actual size of the garment.

	10" Set with 4" Drop		10" Frame Set
	8" Top Hanger 10" Top Hanger 12" Top Hanger 15" Outerwear		8" Pinch Clip
	8" Bottom with Prongs		8" Snap-on Pinch Clip Bottom with 4" drop
	10" Double Top Hanger with Snap Loop Connector		8.5" 2 Tier Hanger w/ Standard Hook
	8" 2 Tier Hanger		4.5" Hanger w/ Split bar 6" Hanger w/ Split Bar 8" Hanger w/ Split
	8.5" 5 Tier Hanger w/ Standard Hook		8" Snap-on Bottom Hanger with 4" Drop Snap Loop Connector
		Size Tab	

5.7 Floor Ready Clothing Requirements

Product that the buyer communicates is going to be merchandised as FOLDED must meet our FOLDING GUIDELINES. The buyer will communicate folded size dimensions and must approve a picture of a folded garment meeting those requirements. In addition, all folded product is required to have a SIZE STICKER which must be approved by the buyer for both packaging and placement on the garment. Failure to follow folded guidelines will result in a charge of 25 cents per unit to cover additional ticketing and labor for the stores."

Sticker placement guidelines for "BE BASIC" branded products

Please note these instructions are for FOLDED product only. The buyer must approve folding on all folded programs as there may be exceptions to below guidelines.

FOLDING

Tops

- General guideline, tops are folded with both sides folded in first then the length is folded in.
- Total measurement for width is 6.5-7" wide. Total measurement for depth is 8.5-9".
- In most cases, all sizes up to 24M should be folded first with ~4" flap remaining on bottom fold for majority of graphic to be seen.

Bottoms

- General guideline, bottoms are folded so that right side of the back is facing front.
- This also allows for hangtag to easily be seen by the customer.
- Bottoms should be folded so that the total length of the folded item is no more than 9-9.5" depth on shelf.
- In most cases, all sizes up to 24M should be folded exactly in half.
- For sizes 2T+, the cuff should be folded up SLIGHTLY (3 - 4"), then the remainder of the pant should be folded in half.
- For capri-length, or anything that does not fit this guideline, please consult with buyer for approval.

SIZE STICKERS

Tops

- The 6" length size sticker should be placed 1/4" - 1/2" from edge of leg and 4" of the sticker must be shown along the front fold.

Bottoms

- If pant has a back pocket, size sticker should be placed 1/4" - 1/2" from edge of leg. Left side of sticker should touch the edge of the pocket.
- If pant DOES NOT have a back pocket, the 6" length size sticker should be placed 1/4" - 1/2" from edge of leg and 4" of the sticker must be shown along the front fold.

5.8 Diaper Bag Requirements

Diaper Bags must be shipped, stuffed with paper. There will be no display devices to hold the bags up on the shelves.

5.9 Tri-Lingual Textile Labeling

BB&B requires that all textile products supplied to it include tri-lingual (English, French, and Spanish) care instructions, fabric content and country of origin information labels.

Please Note: This tri-lingual requirement is in addition to any labeling requirements applicable to your product under and Federal, state/provincial, municipal, and local laws and regulations in every country in which BB&B conducts business including the United States, Canada and Mexico. Please see section 14 and Appendix E for additional details.

If any non-conforming merchandise is shipped to BB&B, vendors will be required to take all corrective measures necessary, as directed by BB&B, and will also be required to reimburse BB&B for any associated labor, administrative or other costs. BB&B may opt, at its sole discretion, to return any such items to the vendor in lieu of requiring the vendors to correct the deficiency or if the vendor's efforts to correct the issue are deemed insufficient. Any such returns will be pursuant to the policies outlined in this document for "Defective Items" in section 9 and Appendix E – Terms & Conditions.

5.10 Product Information Included INSIDE the Package - Tri-Lingual Requirement

BB&B requires that all merchandise which includes any form of written material **inside the shelf level package**, included but not limited to, "user manuals", "installation instructions" or "warnings", contain such verbiage in English, French & Spanish. Additional languages are permissible provided that the information is presented in such a manner that it is clear and understandable in each language.

The English text must be displayed first. It is preferable, though not required, that the text is displayed in one language completely before transitioning to the next language, rather than alternating sentences or paragraphs among the languages.

Vendors must ensure that all translations are technically, contextually and colloquially accurate, and must utilize qualified individuals for such translation services. Automated translation services, software or web-sites are not acceptable. One qualified translation resource known to BB&B is:

RR Donnelley
Global Translation Services
(212) 341-7772
TMC_Global@rrd.com
Contact: Anna Gargiulo (anna.gargiulo@rrd.com)

Vendors may contact RR Donnelley or another qualified provider of their choosing if translation services are required.

If any non-conforming merchandise is shipped to BB&B, vendors will be required to take all corrective measures necessary, as directed by BB&B, and will also be required to reimburse BB&B for any associated labor, administrative or other costs. BB&B may opt, at its sole discretion, to return any such items to the vendor in lieu of requiring the vendors to correct the deficiency or if the vendor's efforts to correct the issue are deemed insufficient. Any such returns will be pursuant to the policies outlined in this document for "Defective Items" in section 9 and *Appendix C – Terms & Conditions*.

5.11 E-Commerce Location (store numbers 653, 655, 657, 3653, 3655) Packaging and Labeling Requirements

Note that the BB&B E-Commerce locations (store numbers 653, 655, 657, 3653, 3655) have certain packaging and labeling requirements to facilitate warehouse stocking and receiving:

- Masterpacks should indicate the quantity on the outside of the carton. There should not be a UPC barcode on the outside of the carton, which could potentially be scanned. This is in addition to the use of a compliant UCC128 label.
- Eaches should have UPC barcodes on the outside of carton, so the carton can potentially be scanned and stocked without breaking down packaging. This is in addition to the UCC128 label.
- All **soft good** products that are not in external, floor ready packaging should be individually polybagged to facilitate receiving and storage at the warehouse facility. **Note that this is not a requirement or preferred for our store locations.**

5.12 Source Tagging

BB&B has installed electronic article surveillance (EAS) devices in all stores. We have selected radio frequency (RF) with Sensormatic to implement this strategy. All products identified by BB&B as "high theft" should be EAS source-tagged by the vendor.

Benefits

- Protected product flows directly to sales floor
- No external tags to deface product
- Product is tagged in consistent location
- EAS deactivation occurs with bar code price scan
- Reduced out of stocks = Increased sales
- Reduce theft

Source Tagging Guidelines

- All products viewed as high-theft should be source-tagged
- Tags must be concealed in the primary package
- Tags used for store locations 8000-8999 must be Sensormatic manufactured tags

5.13 Consumer Display Unit (CDU)

Vendors must follow the requirements below for communicating item content information and shipping of Consumer Display Units.

- Vendors must supply a CDU UPC for all CDUs that will be ordered by BB&B.
- CDUs will be ordered using the CDU UPC.
- CDUs must be packed in a separate shipping carton containing only the CDU. Non-CDU merchandise can not be shipped within the same shipping carton as a CDU. All CDUs must be **clearly labeled** identifying that the contents are part of a CDU with the CDU UPC barcode easily identified and available to scan. CDUs **must be** clearly identified so they can be received as a single unit (CDU).
- Vendors must send the ASN and invoice using the CDU UPC.
- Substitutions to the CDU assortment (UPCs & quantities) are not allowed.
- Vendors are not allowed to make any changes to the CDU assortment (UPCs & quantities) without coordinating that with the buyer prior to shipping. Any changes to the CDU contents must be updated in the BB&B system after all CDUs with the original assortment have been received and prior to the new assortment being shipped by the vendor.

6.0 Freight Tender / Routing Instructions

Please see the Vendor Routing Guide, available at the Vendor Support Site (web address located in Appendix D), for all details concerning freight preparation, tender and routing.

6.1 Changes to the "Nature" of Shipments;

Vendors are required to provide BB&B a minimum of 180 days notice prior to and receive written approval from BB&B prior to the implementation of any of the following:

- Relocation, addition, or discontinuation of any shipping facility
- Shifting distribution of specific product(s) from one existing facility to another
- Change in case pack quantity
- Implementation or discontinuation of "pick and pack" process

Vendors must inform their buyer, and copy Vendor Support (see Appendix D for contact information), of their proposed intentions via email. Failure to contact and secure written approval from either party may result in chargebacks. See Appendix A for further details.

Should it be determined by BB&B, that the change will add to its operating costs, or in any other way be disadvantageous to BB&B, the vendor will be required to reimburse BB&B (by means of a separate and on-going deduction) for the amount of the anticipated additional expense or loss.

7.0 Invoicing

In order to facilitate timely payment, vendors are required to transmit invoices electronically (EDI 810). Upon testing and certification of the vendor's electronic capability, the Accounts Payable Department will no longer accept or process paper invoices. If paper invoices are received, vendors will be contacted to resubmit the invoices electronically, and payment will be suspended until an electronic invoice is received and processed. Please see Appendix D for EDI contact information.

7.1 Invoice Requirements

- BB&B Vendor ID number as it appears on the Purchase Order
- A unique invoice number (12 alpha numeric characters maximum) for each store location and Purchase Order number. Do not include punctuation or special characters or reuse any invoice number within a 36-month period. Do not combine Purchase Order numbers and/or store locations on the same invoice.
- Invoice Date
- Store Number
- Invoices must include the 7 character alphanumeric BB&B system generated Purchase Order number. Purchase Order numbers may not be modified in anyway, it will cause the invoice to be rejected.
- Quantity shipped by UPC / Unit item cost / Unit of measure code / Total invoice cost
- All costs including baseline items should not exceed 2 decimal places.
- Discount if applicable (The reason for any discount deducted, must be clearly stated. The credit code for the appropriate discount being deducted must be transmitted via EDI. Consult the BB&B Corporate EDI Mapping Standards for allowed codes.)
- Freight Terms (Collect or Prepaid) / Carrier name
- Total cartons shipped
- PRO #/BOL #/Tracking #
- Vendors must send one invoice per shipment (Purchase Order, store, ship from location) per day.

Please note: The invoice date must not precede date shipped for "freight collect" shipments nor the date delivered to BB&B for "pre-paid" shipments. Invoices with incorrect invoice dates are subject to correction and chargebacks. Please see Appendix A for further details.

Additional Invoice Requirements

The unit cost on the invoice must not exceed the unit cost listed on the Purchase Order. BB&B will not recognize any Vendor price increase subsequent to the order date of the BB&B Purchase Order.

7.2 Vendor Updates

Liberty Procurement Co. must be notified immediately of any changes to vendor information. This includes, but is not limited to:

- Changes to "remit to" address
- Start, change, or discontinuation of a factoring relationship
- Change in company name
- Change in company ownership
- Change in "Return to Vendor" address
- Change in vendor contact

Changes must be sent in writing to the Liberty Procurement Co. (Buying Office) Attn: "Buyer's Name" (See Appendix D for address)

With a copy to the Accounts Payable Department / Vendor Relations (See Appendix D for address)

Updates regarding factor information must include:

- Written confirmation from the factor terminating the factoring relationship.
- Written notification from the new factor (if applicable) regarding the new factoring relationship.
- Applicable dates and authorization to release payment to the new factor.

BB&B reserves the right to place vendor accounts on hold pending receipt of this documentation.

Do not send any vendor updates to Store locations, as store level personnel cannot approve vendor changes.

7.3 Allowances and Rebates

- All allowances and rebates are negotiated between the buyer and the vendor.

7.4 Discounts

BB&B to Deduct

- BB&B will deduct general discounts, based on negotiated terms off of the gross invoice amount.

Vendor to Deduct

- A general discount, which will be deducted by the vendor, must be deducted as a separate line item off the gross invoice amount. In addition, the reason for the deduction must be clearly stated on each invoice. When transmitting invoices via EDI, the credit code for the appropriate discount being deducted must be transmitted. Consult the BB&B Corporate EDI Mapping Standards for allowed codes at our Vendor Support Site (web address located in Appendix D).

8.0 Remittance Advice

BB&B will issue a single corporate check for multiple invoices. The following information will be found on BB&B's check and remittance advice:

- BB&B Vendor Number
- Vendor and/or Factor name
- Check number
- Check date
- Invoice number (Vendor or BB&B generated) Debit or Credit
- Invoice Date
- BB&B Purchase Order Number (if applicable)
- BB&B Store Number
- Chargeback associated to the invoice
- Descriptive Notes
- Gross Amount of invoice/debit
- Discount –based on negotiated terms
- Net amount of invoice/debit
- Vendor/Factor remittance address

An example of the remittance advice is provided below:

[illegible]

9.0 Return to Vendor Policy

This section details the terms and procedures for defective and damaged merchandise, product recalls and other authorized returns.

9.1 Defective/Damage Return Policy

Individual buyers will establish the most appropriate return policy for each vendor. Policies include *"deduct and dispose"*, *"returns allowed with blanket RA"*, *"returns allowed – authorization required"* and *"damage allowance"*. Whichever policy is chosen, the vendor will be responsible for "damages", which are defined as manufacturer defect, poor quality merchandise or packaging, customer returns deemed not sellable as first quality, or merchandise otherwise deemed not sellable in the ordinary course by store personnel. The most cost effective and efficient processing method is a *"deduct and dispose"* policy. This policy reduces the freight, handling, disposal and processing charges that would otherwise be charged to, or payable by, the vendor. Under this policy, BB&B determines if an item is damaged, and the vendor will be assessed a deduction equal to the cost of the damaged item, plus an inbound freight charge (if freight is not prepaid by the vendor) and a nominal handling fee. The damaged item may be destroyed, donated to charity or sold "as is" at a liquidation price, depending on the condition of the item. If the applicable policy is *"returns allowed with blanket RA"*, vendor provides BB&B with a blanket RA number to be used for all returns. BB&B can then return product it deems damaged without requesting authorization. Vendor will be assessed a deduction equal to the cost of the damaged item, plus an inbound freight charge (if freight is not prepaid by the vendor), outbound freight and a nominal handling fee. If the applicable policy is *"returns allowed – authorization required"*, vendors are expected to respond in a timely manner to requests for approval of returns. All requests will be "batched" by our corporate office and sent to the vendor. Vendor responses should be faxed to the individual stores. If merchandise is returned, the vendor will be assessed a deduction equal to the cost of the damaged item, plus an inbound freight charge (if freight is not prepaid by the vendor), outbound freight and a nominal handling fee. If, in lieu of return, authorization is given to dispose of the item, or if a response giving appropriate direction is not received within 21 days of the original request, the merchandise will be processed under the *"deduct and dispose"* policy and the vendor will be assessed a chargeback equal to the cost of the merchandise, plus an inbound freight charge (if freight is not prepaid by the Vendor) and a nominal handling fee. Under a *"damage allowance"* policy, the buyer and vendor will negotiate a damage percentage, which will be deducted from each invoice. The damaged merchandise will be processed in the same manner as the *"deduct and dispose"* policy, and vendor will be charged for inbound freight (if freight is not prepaid by the vendor) semi-annually when reconciliations are performed. If reconciliation reveals actual damages in excess of the allowance, vendor shall be responsible for such excess, unless otherwise agreed to in writing by BB&B and vendor.

9.2 Locations outside the Contiguous 48 United States

Due to the high shipping costs incurred when freight is returned to vendors located within the contiguous 48 United States from BB&B locations outside of the contiguous 48 United States (such as Alaska, Hawaii, Puerto Rico, Canada, Mexico, etc.), BB&B processes all returns from these locations via the *"deduct and dispose"* policy for such vendors to whom those goods would otherwise be returned. This policy is in place to reduce the freight costs charged to our vendors.

9.3 Defective Merchandise / Recalls

When all or a significant portion of a product line(s) is defective, substandard, unsafe, not in compliance with BB&B company policies described herein, or not in compliance with law, all units may be recalled from the stores. Vendors will be charged back for the cost of the merchandise, and shall be responsible for all freight and handling charges for the merchandise. In addition to all other rights and remedies BB&B may have under applicable law, including the right to recover its lost sales, BB&B may also charge vendor 20% of the cost of all such goods to offset the expenses that may arise from excess floor moves and customer dissatisfaction.

9.4 Hazardous Products

BB&B will process returns under the *"deduct and dispose"* policy in cases where products with chemical content (or which are otherwise regulated) cannot be returned to you due to transportation restrictions for damaged products with chemical content (or which are otherwise regulated) even if the vendor policy requires a return for credit. Any incremental costs incurred by BB&B as a result of the management, administration, or disposal of such hazardous products will be charged back to the vendor.

10.0 Dated Product Processing Guidelines

The table below outlines BB&B's policy for products that expire. Goods that are to be received with less than the required dating may be refused or received and subsequently returned by the warehouse or store. Vendor will be responsible for all returned freight charges on short dated products.

Product/Category	Company Policy for Auto Refuse: minimum allowable timeframe until expiration date
Formula:	
Ready to Feed	6 months
Powder	9 months
Wipes	6 months
Food:	
Infant baked goods (cookies, crackers, biter biscuits)	6 months
Infant purees, entrees, and jars	9 months
Canned meals	9 months
Snacks (excluding chips)	4 months
Chips	4 months
Cereals	6 months
Mints / Candy / Gum	4 months
Water / Juice	6 months
Home Remedies:	
Analgesics	18 months
Cough/Cold Products	18 months
Stomach	18 months
Diet Product:	
Pills and Tab's	18 months
Bars	9 months
Drinks	18 months
Diabetic / Nutrition:	
Liquid	18 months
Bars	9 months
Dental:	
Whitening Strips	18 months
Toothpaste	18 months
Misc:	
Eye Care	18 months
First Aid	18 months
Smoking Cessation	18 months
Vitamins	18 months
Film & One Time Use Cameras	18 months
Batteries	36 months
Sun Care	18 months
Family Planning:	
Condoms	18 months
Test Kits	18 months
Lubricants	18 months

11.0 Advertising Policy

11.1 Using the BB&B Name

BB&B appreciates the fact that many of its vendors do regional and/or national advertising (including Internet) for their products and would like to tag BB&B to assist customers in locating those products. However, it is imperative that, prior to the running of an ad that may include BB&B, all vendors discuss their particular advertising plans with the buyer as well as with the Marketing Department. Please see Appendix D for contact information.

Under no circumstances may any vendor use the name "Bed Bath & Beyond", "buybuy Baby", "Harmon Stores", "Harmon/Face Values" or any trademark or other intellectual property of BB&B in any advertising or press release without a written agreement and signed approval of the actual advertisement or release from the BB&B Marketing Department.

BB&B is able in certain circumstances to use vendor created advertising, such as product photos, digital images, in store video, digital video, and ad copy, (referred to collectively as "Advertising Materials"). Please contact the BB&B buyer to discuss pricing.

11.2 Video Technical Specifications

The following parameters are to be followed in the development and distribution of in-store P.O.P. product videos:

- Only skus/patterns/colors/sizes that BB&B carries in its current assortment should be visible in the video.
- The content of the video should be geared to as broad a base of customers as possible.
- The video should be professionally narrated with enthusiasm and in a tone matching the overall feel of the video. Avoid/limit customer "testimonials" if at all possible.
- The video should creatively identify the features and benefits of the product. These features and benefits should be conspicuously mentioned, highlighted through on-screen text/graphics & demonstrated in an engaging manner.
- There must be no reference to vendor's web site, phone number, or special orders.
- "Tagging" or reference to the product being available at BB&B (both on screen as well as voice over) is strongly encouraged.
- All in store videos should be in DVD format.
- All in store videos should be continuous loop, with a preferred length of 30 – 60 seconds.
- All DVDs need to be shipped in individual soft cases (e.g. not loose in box or in paper sleeves).
- Each DVD and case should be identically labeled, as per BB&B buyer's instructions.

11.3 Images for e-Commerce

Images are required for products selected to appear on our retail website. BB&B reserves the right to assess a one-time fee of up to \$200 per item which will cover a portion of the production fees related to placing products on the website. All images must adhere to the BB&B website image guidelines. The image guidelines are available on the BB&B support site under "Item Setup Information". Please see Appendix D for website addresses.

11.4 QR Codes

Prior to including or changing existing Quick Response ("QR") codes (or similar technologies whether now existing or later developed) on product, packaging/labeling or on printed material included inside the packaging, the vendor must first submit the QR code and its content to BBB for review and approval.

11.5 Legal Specifications

Vendor represents and warrants that:

- Advertising Material does not infringe or violate any copyright, trademark, patent, trade secret or any other proprietary or other right of any third party.
- Advertising Material is not libelous.
- Advertising Material, including any advertising claims contained therein, is accurate and complies with all applicable laws, regulations, and standards
- Any digital Advertising Material contains no virus, mal-ware, or other code that will affect BB&B's computer system or the computer system of any user of the Material.

By submitting Advertising Material to BB&B, the vendor agrees that BB&B may use the Advertising Material in any manner or fashion, including modifying, cropping, editing or adding to the Advertising Material. By way of example, BB&B may: include product photos in web sites, email advertisements, magazine advertisements or other printed publications; post videos including BB&B specific lead-ins and/or watermarks to public video sharing sites, such as YouTube or Facebook; or modify ad copy. The vendor will not object to any such use (provided, however, that BB&B will make good faith efforts to comply with the vendor's requirements for proper use of trademarks within such Advertising Materials). BB&B will not to use Advertising Materials in a manner that is untruthful, inaccurate, or that defames the vendor or vendor's products.

12.0 Chargeback Policy and Dispute Resolution

Chargebacks are not applied in order to generate income, but rather to either reflect agreed upon discounts/allowances/rebates or any other charge taken, or to offset expenses and improve the overall level of compliance. BB&B has gone to great lengths to ensure that chargebacks are not arbitrary and accurately reflect agreed upon deductions, and that all compliance related chargebacks meet our needs for cost recovery. For any chargebacks contained on a remittance advice, BB&B requires vendors to demonstrate that the chargeback was inappropriately deducted as a prerequisite for repayment.

Chargeback Dispute Resolution Process

Written notice of the dispute of any chargeback contained on a remittance statement must be received within 90 days of the check date. If written dispute is received after this 90 day time period, the right to dispute the chargeback shall have been waived and the chargeback shall be final. All disputes must contain the following:

- Correspondence form with reason for the dispute
- Copy of the chargeback (included with the check remittance)
- Transportation documentation if applicable
- Proof of Delivery for shortages
- Any documentation that will support claim (e.g. proof of transmission of UPC code or proof of change to the original order, etc.)
- Documentation of any correspondence with BB&B that justifies the dispute

A copy of our correspondence form can be found on our web Vendor Support Site (see Appendix D for website address). Additional documentation, depending on the particular facts and circumstances of the dispute, may be required by the Vendor Relations Department. Please send detailed requests to the following address:

Bed Bath & Beyond
P.O. Box 3128
Union, New Jersey 07083
Attention: Vendor Relations Department

13.0 New Locations

It is imperative that vendors ship goods in accordance with the BB&B policy to ensure that new locations are appropriately merchandised.

13.1 New Location Policy

The terms of this policy apply to all orders placed for New, Relocated, Remodeled, Rebranded, Expanded, or Newly Affiliated locations (i.e. any location added as a result of Acquisition, Merger, Joint Venture, etc.) as follows:

- All orders placed within the first 60 days of opening for business.
- All seasonal orders placed in the first 12 months following the opening.

13.2 Discounts and Extended Dating

All orders for new locations, as defined above, are subject to new location discounts and extended dating.

- The discount must not be included by the vendor in the unit pricing.
- The discount should not be taken as a separate line item on the invoice.

Note: If a separate line item for the new location discount must be taken, the correct credit code must be included.

13.3 Early/Late Shipments to New Locations

In order to ensure the success of all new locations, it is essential that goods be shipped in accordance with stated ship dates. For details about ship dates, please see Section 3.0.

14.0 International Locations

BB&B has expanded internationally. This represents an excellent opportunity for our vendors to enjoy exposure to additional markets.

14.1 Merchandise Availability

All vendors, including those who ship to any BB&B locations in the United States, must provide merchandise that can be sold in BB&B locations outside of the United States. If a vendor believes it is contractually prohibited from supplying products to BB&B for distribution and sale outside of the United States, the vendor is required to provide written details to the respective BB&B buyer and to copy that information to BBBINTL@bedbath.com PRIOR to accepting a purchase order from BB&B.

14.2 Compliance with Law

As with products destined for distribution in the United States, merchandise and its packaging and labeling must satisfy all Federal, state/provincial and local laws of Canada, Mexico and any other location in which BB&B conducts business, including any language requirements.

As a convenience, a brief overview of some of the product, packaging, and labeling requirements for goods sold in Canada, as well as a list of internet sources for additional information is included in the Quality Assurance Manual.

In addition, please be aware that Mexico and its various States and local jurisdictions also have unique laws applicable to the import and retail sale of merchandise including, but not limited to, Spanish language requirements, and testing and certification. Additional details are included in the Quality Assurance Manual.

14.3 Merchandise Information

Vendors will be required to provide all relevant product information such as, but not limited to, Duty Classifications, Country of Origin information and certificates, NAFTA certificates (if applicable) and any other product information that may be required or requested by BB&B in order to facilitate the efficient exportation of merchandise. Vendors will also be required to ensure that the information and/or accompanying certificates are kept current with or without a specific request from BB&B to do so. Vendors will be responsible to reimburse BB&B for any direct, indirect and/or administrative costs which may arise from the vendors' failure to provide or maintain accurate and complete product information and certificates. In the event that merchandise is not eligible for a NAFTA based elimination of import duty, upon request, vendors will be required to provide BB&B with all necessary information, documentation and assistance to recover a duty drawback for the full amount of duty paid on the merchandise upon its entry into the United States. Failure to provide any such information, documentation or assistance may result in a chargeback to the vendor in the amount of the duty not recovered plus an administrative fee. See Appendix A for details.

14.4 Shipping Information

Please see our Vendor Routing Guide (available at the Vendor Support site listed in Appendix D) for details regarding freight preparation, tender and shipping for merchandise destined for locations outside of the United States.

14.5 Purchase Orders

In connection with the purchase of merchandise for our international locations, purchase orders may be issued in the name of BB&B or in the name of an affiliate, subsidiary or joint venture of BB&B including, but not limited to, Liberty Procurement Co. Inc., Bed Bath & Beyond of Canada L.P., and Bed Bath & Beyond of Mexico de R.L. de C.V.

Notwithstanding the purchasing entity name, please remember that these orders are to receive the same accommodations, terms and conditions as any BB&B order.

APPENDIX A – Chargeback Summary

EDI Violations	
Paper invoice received for a PO other than a custom (special) order.	\$5 per paper invoice (store level)
ASN received incorrectly, inaccurate, invalid, incomplete or not transmitted within 2 hours after the goods are shipped , GS1 -128 label invalid, illegible or missing	\$2 per carton received with ASN and/or labeling violations
Failure to transmit a valid GS1-128 carton ID to FedEx in the required format and/or time frame.	\$2 per carton in violation
Routing / Freight Tender Violations	
Shipping same store more than once per week from the same origin zip code.	Full undiscounted cost of freight associated with all shipments excluding the largest (weight) shipment for the week +\$25 Administration fee
Failure to follow routing instructions such as but not limited to: "Collect" freight shipped via incorrect carrier or mode as required by BB&B Routing Guide	Full undiscounted cost of freight + \$25 Administration fee
"Pre-paid" orders shipped "Collect"	Twice the full undiscounted cost of freight + \$25 Administration fee
Misdirected Freight: Vendor mislabeled and /or shipped goods to incorrect location.	Full undiscounted cost of freight + \$25 Administration fee
Failure to submit a Truckload Routing Request Form	Full undiscounted cost of freight + \$25 Administration fee
Shipping prior to New Store Ship Date	\$75.00 per LTL shipment/ \$5.00 per FedEx carton
Appointment Violations & Merchandise not available for pickup	All accessorial charges passed on from the carrier +\$25 Administration fee
All Prepaid or unauthorized Collect carrier accessorial charges e.g., detention, notification, storage, sorting, reweigh, etc., including pre-paid carriers attempting delivery without appointment.	100% of accessorial charge +\$25 Administration fee
Reversal of prepaid freight charges, e.g. vendor ships prepaid in error and requests BB&B to reverse freight charges back to BB&B	BB&B will not reverse charges. Vendor is responsible for paying original carrier directly
Failure to notify BB&B of Oversized Cartons	Full undiscounted cost of the freight + \$25 Administration fee
FedEx Ground address correction charges	\$10 per address correction
Failure to notify BB&B 180 days in advance of relocation of shipping facility OR Failure to secure approval from BB&B prior to: implementing or discontinuing "Pick and Pack" procedures or changing case pack quantities.	Full undiscounted cost of freight for all such shipments until notification is received and approved plus a monthly \$100 Administration fee
Shipping an individual Store the same sku's from multiple locations or failure to ship goods from correct facility (if so designated by BB&B)	Full undiscounted cost of freight from the facility in violation +\$25 Administration fee.
Freight requiring carrier sort and segregation, i.e.: orders shipped without BOL and/or store integrity)- which ever is correct	\$.75 per carton with a minimum \$20 per shipment to sort and segregate
Failure to palletize a Truckload shipment	\$0.50 per floor loaded carton
Poor pallet quality / Improperly palletized freight / Incorrect carton or pallet label	\$20 per pallet in violation or \$2 per carton
Misclassification of commodity type(s) on Bill of Lading (e.g. incorrect, incomplete, or missing NMFC item(s) or freight class(es) or use of single item or freight class when shipment contains multiple commodity types.	Full undiscounted cost of freight + \$25 Administration fee.
Missing, Incorrect, or Incomplete Bill of Lading	\$25 per occurrence
Packing and/or sealing violations resulting in extra carton handling	All accessorial charges passed on from the carrier +\$25 Administration fee
Purchase Order (Excluding store numbers 8000 - 8999)	
Early Shipment 2 – 13 days prior to ship date 14 – 20 days prior to ship date 21 – 27 days prior to ship date 28 + days prior to ship date	5% of cost of merchandise shipped early 10% of cost of merchandise shipped early 15% of cost of merchandise shipped early 20% of cost of merchandise shipped early
Late Shipment or Non Shipment 14 – 20 days after ship date 21 – 27 days after ship date 28 - 34 days after ship date	5% of cost of merchandise shipped late 10% of cost of merchandise shipped late 15% of cost of merchandise shipped late

35 + day after the ship date or Non-shipment of merchandise	20% of cost of merchandise shipped late or not shipped
Late Shipment of Circular / Seasonal Goods/ "Time Sensitive" - Orders not shipped between ship and cancel dates for orders identified by BB&B as circular and / or seasonal orders or other "time sensitive".	All costs to expedite or 20% of cost of merchandise not shipped on time at BB&B discretion. BB&B may choose to return late shipped goods at the vendor's expense
Late Shipment or Non Shipment – New Stores	All costs to expedite or 25% of cost of merchandise not shipped on time at the discretion of BB&B
Late Shipment or Non Shipment – Special Orders	20% of retail price to cover costs of customer accommodation
Purchase Order (Applies only to store numbers 8000 - 8999)	
Late Receipt or Non Receipt 15 – 21 days after Receipt Date 22 – 28 days after Receipt Date 29 - 35 days after Receipt Date 36 + day after Receipt Date	5% of cost of merchandise received late 10% of cost of merchandise received late 15% of cost of merchandise received late 20% of cost of merchandise received late
Late Shipment of Circular/Seasonal Goods/Time Sensitive Orders - Orders not received between receipt and cancel dates for orders identified by BB&B as circular orders and/or seasonal orders or other time sensitive orders.	All costs to expedite or 20% of cost of merchandise not received on time at BB&B discretion. BB&B may choose to return late received goods at the vendor's expense
Late Receipt or Non-Receipt – New Stores	All costs to expedite or 25% of cost of merchandise not received on time at the discretion of BB&B
Purchase Order (Applies to ALL STORES)	
Damaged Receipt of Special Orders	20% of retail price to cover costs of customer accommodation, including but not limited to house calls for repair, cost of repair, etc.
Unordered, substituted, over shipped, cancelled items	20% of cost of such items plus freight and handling costs if returned
Partial Shipment (on orders designated as "ship complete")	20% of Purchase Order cost
Concealed Short Shipment: Quantity received in the store does not match what was indicated on the store Invoice	25% of cost of shortage on the SKU in addition to the cost of the SKU not shipped
Ticketing / Labeling Violations (UPC)	
UPC Violation (Invalid, incomplete, unscannable, unreadable, missing, not on file)	\$1.00 per unit with a \$50.00 minimum + \$25 Administration fee
Violation of labeling/printing requirements including, but not limited to ,inaccurate declaration of weight or measure, incomplete/ incorrect vendor address information, fiber content, registration numbers, language requirements, etc., as well as language requirements for any included manuals/instructions/warnings.	Full reimbursement of any fines or penalties paid by BB&B plus all related Administration costs (minimum \$50 for the first violation and minimum \$500 for subsequent violations) and/or all costs associated with the correction of labels and other printed materials, or the return of non-compliant merchandise to the vendor
Incorrect or missing size labeling, retail ticket (if required) or other violations to BB&B's packaging or labeling requirements	\$25 per incident + \$1.00 per unit in violation
Failure to meet the brand requirements set in the Brand Style guide including but not limited to printing of brand color, paper stock to be used, photography style and bag specs for these brands (include size of bag, gauge of bag, and material speced).	\$1.00 per unit per violation with a \$50 minimum + 25 Administration fee
Miscellaneous.	
Item information and/or image requests that are not submitted (or not accurately submitted) within the 3 business day window	\$5 per UPC per day
Error on invoice (No/Invalid/Wrong store #, PO #, Carton Count, Terms, Invoice Date, etc.), duplicate Invoices, or multiple invoices for the same shipment	\$25 per invoice
Request for copy of Check Remittance, Cancelled check or claim	\$25 per incident
Failure to provide or to maintain accurate product information, certificates or documentation to BB&B that may be necessary to sell and/or import merchandise into any jurisdiction in which BB&B is located, or failure to provide (upon request by BB&B) documentation, information and/or assistance necessary to recover a duty drawback for the duty paid on the merchandise upon its entry into the United States.	\$ 25 per purchase order plus full amount of any related fines , penalties, fees and/or the duty not recovered
Failure to follow folding and sticker requirements for clothing.	\$0.25 per unit
Failure to ship apparel on hangers	\$0.40 per unit received without hanger

APPENDIX B – Certificate of Insurance Requirements / Acknowledgement of Vendor Compliance Guide, Quality Assurance Manual, and Routing Guide

As a condition of doing business with Bed Bath & Beyond Inc., and its subsidiaries and affiliated companies (collectively, "BB&B"), vendors are required to (i) deliver a Certificate of Insurance evidencing Products Liability and Commercial General Liability coverage as set forth below, and (ii) read and accept the Vendor Compliance Guide, Quality Assurance Manual, and Routing Guide. Both the Certificate of Insurance and this Acknowledgement must be on file with BB&B. The Certificate of Insurance must be renewed and provided to BB&B on an annual basis. Vendors must obtain and maintain the required insurance as vendor's products are being sold by BB&B plus 12 months after the last date of sale. At any time, BB&B has the right to adjust the limits set forth below and/or require additional insurance coverage.

Please also note that vendors providing in-home services or conducting in-store demonstrations may be required to evidence Workers' Compensation and Employer's Liability Insurance, as well as Automobile Insurance (owned, hired, non-owned).

The vendor is solely responsible for the payment of all deductibles and premiums. Neither self-insurance nor self-insured retentions are permitted without the prior written consent of BB&B.

A. Please have your insurance agent obtain and forward a "Certificate of Insurance" to:

Bed Bath & Beyond Inc.
700 Liberty Avenue
Union, NJ 07083
Attn: Risk Management

Vendor's insurance and the Certificate of Insurance must comply with the following requirements:

- Be written by an insurance carrier admitted and licensed in the United States, Puerto Rico, Mexico and Canada; the insurance coverage shall be provided on a worldwide basis.
- Additional Insured Vendors Coverage (endorsement):
 - Naming, as additional insured, Bed Bath & Beyond Inc., its subsidiaries and affiliated companies, and their respective successors, assigns, officers, directors, employees and agents. Please attach Form CG 20 15 Additional Insured – Vendors. Vendor represents and warrants that any product it is selling to BB&B is scheduled on the CG 20 15.
 - Bed Bath & Beyond Inc., its subsidiaries and affiliated companies, and their respective successors, assigns, officers, directors, employees and agents shall be named as additional insureds with respect to vendor's Products & Completed Operations coverage.
 - The additional insured status of BB&B shall apply to both primary and umbrella/excess liability coverage.
- Be considered primary, noncontributory, and not excess coverage.
- Include a blanket waiver of subrogation in favor of BB&B.
- Vendor's insurance carrier shall have an AM Best's Rating of at least A– VII.
- Include a clause that obligates the insurer(s) to provide BB&B with at least 30 days prior written notice of cancellation or material change in the policies.
- Minimum Limits: \$2,000,000 Each Occurrence (Must be equivalent to U.S. Dollars). Note that an Excess Liability/Umbrella can be used to increase the primary General Liability limits.
- Limits of \$5,000,000 or \$10,000,000 will be required for certain products. Refer to the Vendor Liability Insurance Matrix for listing of products. If you do not see your product, please contact vendorcoi@bedbath.com.

BB&B will withhold payment until an acceptable Certificate of Insurance is on file and this Acknowledgement is completed, signed, and returned. If an updated Certificate of Insurance is not provided to BB&B on an annual basis, BB&B has the right to withhold payment until received.

B. Have this Acknowledgement signed by a Corporate Officer or a Principal of the Vendor and return to:

Bed Bath & Beyond Inc.
700 Liberty Avenue
Union, NJ 07083
Attn: Financial Control / VC

OR FAX to 908 688-5279 ATTN: Financial Control / VC

By signing this document the vendor acknowledges receipt of, and agreement to, the: (1) Insurance Requirements; (2) Vendor Compliance Guide; (3) Quality Assurance Manual; and (4) Routing Guide, as currently available at <http://www.vendor.bedbath.com> and <https://partners.bedbath.com>.

Vendor Name: _____

Signature: _____

Print Name: _____

Title: _____

Date: _____

VENDOR LIABILITY INSURANCE MATRIX
US \$2,000,000 LIMITS
CATEGORY I

ALTERNATE TOP OF THE BED - COVERLETS, BEDSPREADS, QUILTS
APPAREL & FOOTWEAR (EXCLUDING INFANT/CHILDREN'S)
BABY - CLOSET STORAGE, WALL DECOR
BABY GIFTS - FRAMES, KEEPSAKES, PHOTO ALBUMS, INVITATIONS, GIFT SETS
BASIC HOUSEWARES (NON-ELECTRIC)
BASIC LINENS - PILLOWS, PADS, PILLOW PROTECTORS, MATTRESS COVERS
BATH ENSEMBLES, BATH HARDWARE, BATH RUGS, BATH TOWELS
BATTERIES - NON RECHARGEABLE
BEAUTY - BRUSHES, COMBS, COSMETICS, NAILS, HAIR COLOR, MIRRORS, ACCESSORIES (NON-ELECTRIC)
BEVERAGES (EXCLUDING ANY HEALTH DRINKS, DIETARY OR HERB ITEMS)

- BOTTLED WATER
- ENERGY DRINKS
- SODA AND JUICES

BOOKS & ACTIVITIES
CANDY, MULTIPACK GUM AND MINTS, SNACKS, NUT/MIXES
CELL PHONE AND COMPUTER ACCESSORIES
CHRISTMAS SEASONAL- DÉCOR, GIFT WRAP, CARDS, PAPER GOODS, ETC
CLEANING - LAUNDRY HOLDERS, STICK GOODS (MOPS, BROOMS, DUSTPANS)
CLOSETS - HANGERS, HOOKS, STORAGE, SHOE RACKS, HOME FRAGRANCE, OFFICE ORGANIZATION
CLOTHING - EXCLUDING INFANT/CHILDWEAR
COFFEE (EXCLUDING COFFEE POTS/MAKERS)
COOKWARE (NON-ELECTRIC)
CUTLERY
DECORATIVE ACCESSORIES - PILLOWS, THROWS, BLANKETS, FURNITURE COVERS
DECORATIVE RUGS
DIAPER BAGS
DIAPER PAILS
DOORMATS, KITCHEN MATS
DUVET COVERS, COMFORTERS, SHEETS, BEDDING SETS, PILLOWS
FOOD (EXCLUDING INFANT FOOD/DRINK OR DIETARY SUPPLEMENTS)

- CANNED FOODS
- DRY FOODS (SNACKS, PASTA, BAKING GOODS, SEASONINGS, ETC.)
- FRUITS AND VEGETABLES

FURNITURE - TABLES, ACCENT, HOME OFFICE (NON BABY)
GENERAL MERCHANDISE - WIPES, GARBAGE BAGS, PLATES, CUPS, PLASTIC CUTLERY, MAGAZINES
GREETING CARDS/GIFT WRAP
JEWELRY (EXCLUDING CHILDREN'S)
LUGGAGE
MATERNITY APPAREL
MATTRESSES - (EXCLUDING CRIBS)
PERSONAL CARE PRODUCTS - SUCH AS LOTIONS, SHAMPOO, TOOTHPASTE, MOUTHWASH, SHAVING, TANNING
LOTIONS, ETC. (NON-PHARMACEUTICAL, NON-INVASIVE, NON-TOPICAL, NON-ELECTRIC)

PET SUPPLIES - SUCH AS PET APPAREL, PET FOOD, PET ACCESSORIES, PET CHEWS
PHOTO FRAMES AND FRAMED ART, WALL DÉCOR, HOME DÉCOR (NON-ELECTRIC)
READING GLASSES, SUN GLASSES
SHOWER ACCESSORIES, SHOWER CURTAINS
SOFT KITCHEN - TABLECLOTHS, PLACEMATS, CHAIR PADS, RUGS
STROLLER ACCESSORIES
SUMMER SEASONAL - SUCH AS OUTDOOR CUSHIONS/PILLOWS, GARDENING (EXCLUDING FURNITURE & TIKI
TORCHES)

TABLETOP & GIFTWARE
UMBRELLAS - PERSONAL USE (EXCLUDING OUTDOOR/PATIO UMBRELLAS)
UTILITY - SUCH AS FLASH LIGHTS, HARDWARE, LIGHT BULBS, SNOW SHOVELS, SNOW SCRAPERS, WIND GUARDS
WINDOW TREATMENTS
WOMEN'S ACCESSORIES - SUNGLASSES, SCARF'S, HAIR ACCESSORIES

VENDOR LIABILITY INSURANCE MATRIX
US \$5,000,000 LIMITS
CATEGORY II

ALCOHOL
ALL ELECTRICS - EXCLUDING HEATERS
BABY BEDDING
BABY CARE - DIAPERS, WIPES, MEDICAL KITS, GROOMING KITS
BABY -
- CONTOUR PADS, OTHER PADS, NURSERY ACCESSORIES, DECORATION ACCESSORIES
- DECORATION ACCESSORIES, CHILD CARE HOSPITALITY
BATH & POTTY
- POTTY TRAINING, CLOSET, CHEMICALS
BATTERIES - ELECTRIC AND/OR RECHARGEABLE
BEACH TOYS
CANDLES, CANDLE SETS FOR ALL OCCASIONS
CAR SEAT ACCESSORIES
CHEMICALS - SUCH AS PESTICIDES, DEGREASERS, CLEANING CHEMICALS, WINTER, BUG REPELLENTS
CHRISTMAS SEASONAL - SUCH AS TREES, OUTDOOR DÉCOR, ANIMATION, LIGHTS
DIETARY SUPPLEMENTS - SUCH AS HERBAL PRODUCTS, VITAMINS, NUTRITION BARS
DISHWASHER DETERGENT, LAUNDRY DETERGENT, ROOM/FABRIC FRESHENERS
EXTENSION CORDS, SURGE PROTECTORS
FIRST AID
FOOD - MEATS, SEAFOOD, POULTRY, EGGS AND DAIRY
HAIR DRYERS, ELECTRIC GROOMING, HAIR STYLING APPLIANCES
HUMIDIFIERS/VAPORIZERS
IRONS
INFANT FEEDING
- INFANT FEEDING, BREAST FEEDING, NURSING PILLOWS, KIDDY TABLETOP, PEG TABLETOP, PLASTIC CUPS, BIBS, ETC
INFANT TOYS - SUCH AS PLUSH, BOXED TOYS, STACKERS & BLOCKERS, PEGGED TOYS, ELECTRONIC & MUSICAL
INFANT/CHILDREN WEAR
JEWELRY - CHILDREN'S
KIDS SUNGLASSES
LAMPS AND LIGHTING
LIGHTERS AND MATCHES
MEDICINE - SUCH AS INGESTED PRODUCTS (OVER THE COUNTER)
OUTDOOR PLAY - SUCH AS BIKES AND RIDE ONS (EXCLUDING SWIMMING POOLS, WATER TOYS, TRAMPOLINES, SWING SETS)
PERSONAL CARE - DEODORANT, LIP THERAPY, EYE & EAR CARE, FOOT CARE, FEMININE HYGIENE(PADS, LINERS, TAMPONS), CREAMS, INGESTIBLES, INTIMACY, DENTAL APPLIANCES
PERSONAL ELECTRICS
SAFETY - GATES, MONITORS, INFANT SUPPORT
SLEDS
SNOW TOYS
STEP STOOLS
TOYS

VENDOR LIABILITY INSURANCE MATRIX
US \$10,000,000 LIMITS
CATEGORY III

BABY FURNITURE - SUCH AS CRIBS, DRESSERS, CHANGING TABLES, GLIDERS
BABY PLAYROOM - PACK N PLAY, PLAYPENS, BOUNCERS, SWINGS, STROLLERS, CAR SEATS, BOOSTER SEATS
BBQ
CHAIRS - FOLDING AND/OR COLLAPSIBLE
CRIB TENTS
CRIB MATTRESSES
GENERATORS
HAMMOCK, HAMMOCK CHAIRS, BEACH CHAIRS, FOLDING CHAIRS, DEEP SEATING, CHAISES, OUTDOOR UMBRELLAS
HEATERS, FIRE PITS, FIREPLACES, OUTDOOR HEATING
INFANT BATHING - TUBS & TUB CHAIRS
INFANT FORMULA
INFANT TOYS - GYMS, WALKERS & TABLES
LAWNCARE - MOWERS AND TRIMMERS
OUTDOOR FURNITURE, FOLDING AND COLLAPSIBLE CHAIRS
OUTDOOR PLAY - SWIMMING POOLS, WATER TOYS (INCLUDING FLOATATION DEVICES), TRAMPOLINES, SWING SETS
PROPANE
SNOWBLOWERS

Example- Certificate of Insurance

<b style="font-size: 1.2em;">CERTIFICATE OF LIABILITY INSURANCE										DATE:	
THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.											
IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).											
PRODUCER <div style="border: 1px solid black; padding: 2px; margin-top: 5px;"> Name and Address of Insurance Company </div>						CONTACT NAME: PHONE (A/C, No. Ext): E-MAIL ADDRESS: FAX (A/C, No):					
INSURED <div style="border: 1px solid black; padding: 2px; margin-top: 5px;"> Vendor Name as it Appears on Invoice </div>						INSURER(S) AFFORDING COVERAGE INSURER A: <div style="border: 1px solid black; padding: 2px;">Name of Insurance Company</div> INSURER B: INSURER C: INSURER D: INSURER E: INSURER F: NAIC#					
<div style="border: 1px solid black; padding: 2px; width: fit-content; margin-top: 10px;"> You must have both "Commercial General Liability" and "Occur" checked </div>						CERTIFICATE NUMBER: REVISION NUMBER:					
I HEREBY CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY DESCRIBED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN. THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO THE EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.											
LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YY)	POLICY EXP (MM/DD/YY)	LIMITS				
A	GENERAL LIABILITY	X	X	Effective Date	Expiration Date			EACH OCCURRENCE		\$ See Matrix	
	X COMMERCIAL GENERAL LIABILITY							DAMAGES TO RENTED PREMISES(Ea occurrence)			
	CLAIMIS-MADE X OCCUR							MED EXP (Any one person)			
								PERSONAL & ADV INJURY		\$ See Matrix	
								GENERAL AGGREGATE		\$	
GEN'L AGGREGATE LIMIT APPLIES PER:							PRODUCTS-COMP/OP AGG		\$ See Matrix		
X	POLICY		PRO-JECT		LOC						
A	AUTOMOBILE LIABILITY	X	X					COMBINED SINGLE LIMIT (Ea accident)		\$	
	ANY AUTO							BODILY INJURY(Per person)		\$	
	ALL OWNED AUTOS							BODILY INJURY(Per accident)		\$	
	SCHEDULED AUTOS							PROPERTY DAMAGE (Per accident)		\$	
	HIRED AUTOS									\$	
	NON-OWNED AUTOS									\$	
B	UMBRELLA LIAB EXCESS LIAB	X	X					EACH OCCURRENCE		\$ See Matrix	
	OCCUR CLAIMS-MADE							AGGREGATE		\$	
	DEDUCTIBLE RETENTION \$									\$	
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	N/A	X					X	WC STATUTORY LIMITS	OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)										
	If yes, describe under DESCRIPTION OF OPERATIONS below										
OTHER											
DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)											
Bed Bath & Beyond Inc., its subsidiaries and affiliated companies, and their respective successors, assigns, officers, directors, employees and agents, is named as additional insured under ISO Form CG 20 15 -Additional Insured-Vendors (or its equivalent). See attached endorsement.											* This comment must be included in it's entirety
Insurance coverage shall be provided on a worldwide basis.											
Bed Bath & Beyond Inc. Attn: Risk Manager 700 Liberty Avenue Union, NJ 07083				* Only the Corporate Address will be accented.		SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE:					

APPENDIX C— Standard Terms and Conditions

The text of the Bed Bath & Beyond "Terms & Conditions" follows. Said terms and conditions will govern in the event of any conflict between the Order (defined below) and any other document (including the Vendor Compliance Guide).

1. As used herein, the following terms shall have the following meaning: (a) "Order" means a purchase order or an order effectuated through Electronic Data Interchange transmission (EDI) or any other means, which orders shall be deemed to include, in either event, these Terms and Conditions and (b) "Merchandise" refers to the goods, products, supplies, parts, assemblies, specifications, services or other items constituting the subject matter of the Order which are to be furnished by the vendor hereunder together with all related packaging, labeling and other printed matter and advertisements furnished or authorized by Vendor. References to "BB&B" include Bed Bath & Beyond Inc. and its subsidiaries and affiliated companies.

2. Vendor represents and warrants to BB&B, in addition to all warranties implied by law, that the Merchandise described on the face of the Order shall (a) be free from defects in design, workmanship or materials, including, without limitation, such defects as could create a hazard to life or property; (b) be suitable for end use; (c) be manufactured, packed for shipment, marked with the country of origin or other information required by law or regulation and where required, be registered, all in accordance with applicable federal, state/provincial and local laws and all orders and regulations promulgated thereunder in each Country where BB&B conducts business, including the United States, the Commonwealth of Puerto Rico, Canada and Mexico as well as all industry standards; (d) not infringe or encroach upon any party's personal, contractual or proprietary rights, including patent, trademark, trade name, service mark, copyright, right of privacy or trade secret rights; (e) not violate or breach any agreement that vendor may have with a manufacturer or distributor; (f) conform to all specifications and other descriptions set forth or incorporated in the Order and all articles accepted by BB&B as Merchandise samples; (g) possess all performance qualities and characteristics claimed in advertisements issued or authorized by Vendor; (h) conform with all BB&B company Merchandise policies including those identified in the BB&B Quality Assurance Manual; (i) be properly stamped, tagged, labeled, or marked with such information as may be required by any applicable law, regulation or order, including, but not limited to, labels required under any applicable upholstered and stuffed goods regulation, and any labels, warnings, or information that may be required under California's Safe Drinking Water and Toxic Enforcement Act of 1986 ("Proposition 65"); (j) be well within any expiration date indicated on the packaging of the Merchandise, (k) have been stored under proper conditions to preserve the quality of the Merchandise; and (l) meet the requirements of all United States federal, state and local laws and all orders and regulations promulgated thereunder including but not limited to United States Food, Drug and Cosmetics Act, the United States Federal Trade Commission Act, the United States Consumer Product Safety Act, the Consumer Product Safety Improvement Act of 2008, the United States Domestic Chemical Diversion Control Act, the United States Federal Hazardous Substances Act, the United States Toxic Substances Control Act, the Federal Insecticide Fungicide and Rodenticide Act, the United States Flammable Fabrics Act, the United States Fur Products Labeling Act, the United States Wool Products Labeling Act, the United States Textile Fiber Products Identification Act, the United States Fair Packing and Labeling Act, APHIS and other US Fish and Wildlife Regulations, and the United States Lacey Act; (m) meet the requirements of all Canadian federal, Provincial and local laws and all orders and regulations promulgated thereunder including the Consumer Packaging and Labeling Act, Textile Labeling Act, Food & Drug Act, Competition Act, Precious Metals Marking Act, the Hazardous Products Act, the Consumer Product Safety Act, the Pest Control Products Act, and Ontario's Upholstered and Stuffed Articles regulations under the Technical Standards and Safety Act; and (n) meet the requirements of all federal, state and local laws and all orders and regulations promulgated thereunder in Mexico and in each Country where BB&B conducts business. Vendor also represents and warrants that (x) the weights, measures and sizes of all Merchandise shall be as represented and conform to all standards, regulations and requirements of any federal, state/provincial or local governmental authorities having jurisdiction in any country or territory where BB&B conducts business; (y) the prices, terms and conditions of sale hereunder and any discount, rebate or allowance for advertising or otherwise granted by vendor in connection herewith are not in violation of the United States Robinson-Patman Act, the Canadian Competition Act or any other applicable laws and regulations and (z) no forced labor or child labor shall be utilized in connection with the manufacture of the Merchandise. Vendor also represents and warrants that any patent markings on Merchandise shall reflect only patents that are in force and unexpired as of the time of manufacture and affixation. Vendor's representations and warranties herein shall survive the delivery of Merchandise to BB&B and any resale of Merchandise by BB&B.

3. Vendor, at its sole cost and expense, shall perform, or cause to be performed, all tests on the Merchandise required by , or necessary to show compliance with, (a) BB&B's Merchandise specifications and standards, and (b) any federal, state, provincial and local governmental authority having jurisdiction in any country in which BB&B does business. Vendor shall maintain for a period of not less than three (3) years reports documenting all such tests have been administered and passed. Testing laboratories shall be acceptable to BB&B and the agency or authority requiring same. At BB&B's request vendor shall provide copies of such test reports, and shall permit BB&B or any person or persons authorized by BB&B to inspect and make copies of all records maintained by vendor in connection with such tests. If the vendor fails to perform testing, or fails to do so in a timely manner, then BB&B may (but is not obligated to) perform such testing and certification and charge back the vendor for all costs incurred.

From time to time, BB&B may submit the Merchandise to a BB&B designated commercial laboratory to confirm the product continues to meet the applicable specifications and law. All testing costs will be charged to vendor.

4. Vendor shall obtain and provide to BB&B (at Liberty Procurement Co. Inc., 650 Liberty Ave., Union, NJ 07083 Attention: Buyer Name) any and all registration numbers, license numbers, certifications, approvals or the like, required by any federal, state, local, foreign, provincial or territorial governmental agency or authority having jurisdiction over the Merchandise, the sale of such Merchandise, and/or any claims made regarding the Merchandise or any of its qualities.

5. Prior to shipment, vendor shall register all chemical containing products, batteries, and products that use batteries with WERCS Professional Services, LLC, ("WERCS"), BB&B's third-party contractor that manages the regulatory compliance requirements for chemical and battery containing products. In connection with the registration, vendor shall also furnish WERCS with an ANSI Compliant 16-Section Material Safety Data Sheet or Safety Data Sheet as required pursuant to (i) the Occupational Safety and Health Act (US) and any other federal, state, or local law, regulation or order and (ii) the Occupational Health and Safety Act (Ontario) and any other Canadian federal, provincial or local law. A Material Safety Data Sheet or Safety Data Sheet shall also be included with the first delivery of any Merchandise to each of BB&B's Stores. For more information regarding WERCS, refer to the BB&B Quality Assurance Manual.
6. No terms or conditions in any acceptance, acknowledgment, invoice or other document submitted by vendor that are in conflict with, different from, or in addition to these Terms and Conditions, nor any modification of the Order, shall be binding upon BB&B unless agreed to in writing by a duly authorized representative of BB&B.
7. (a) An Order, when in the form of a written purchase order, shall constitute an offer on the part of BB&B upon these Terms and Conditions and shall become a binding contract between BB&B and vendor upon vendor's acceptance of the Order by:
- (1) signing one copy of the Order and returning it to BB&B or
 - (2) returning a signed written confirmation of the Order to BB&B; or
 - (3) delivering to BB&B, in accordance with the terms and conditions set forth in the Order, all or any part of the Merchandise order; or
 - (4) allowing ten (10) days to lapse from the time the Order is received by vendor, and neither accepting the Order in the manner indicated above nor giving BB&B written notice of rejection of the Order.
- (b) An Order, when in the form of an EDI transmission, shall constitute an offer on the part of BB&B upon these Terms and Conditions and upon any terms and conditions indicated in the EDI transmission and shall become a binding contract between BB&B and vendor upon vendor's acceptance of the Order by:
- (1) delivering to BB&B, in accordance with the terms and conditions as set forth in the Order, all or any part of the Merchandise ordered; or
 - (2) electronically acknowledging receipt of the Order coupled with failure to reject the Order within two (2) business days following its receipt; or
 - (3) allowing ten (10) days to lapse from the time the Order is received by Vendor, neither accepting the Order in the manner indicated above nor giving BB&B written notice of rejection of the Order.
8. (a) BB&B may terminate an Order, or any part thereof, by notice to vendor under any of the following circumstances:
- (1) If vendor fails to comply with any provisions of the Order.
 - (2) If vendor becomes insolvent or makes a general assignment for the benefit of creditors or files or has filed against it a petition of bankruptcy or for reorganization, or pursues any other remedy under any other law relating to the relief for debtors or in the event a receiver is appointed for vendor's property or business.
 - (3) If BB&B receives notice of allegations of intellectual property infringement regarding the Merchandise contained in the Order.
 - (4) If BB&B receives notice, or otherwise determines, that the Merchandise is not in compliance with existing federal, state or local laws and/or industry standards including, but not limited to, laws or standards governing product safety.
 - (5) If BB&B determines that the Merchandise does not comport with any of the warranties and representations set forth in section 2 above.
- In the event of such termination, in addition to all other rights and remedies BB&B may have at law, in equity or under these Terms and Conditions, BB&B may purchase or manufacture similar Merchandise and/or require vendor to transfer title and deliver to BB&B any and all property produced or procured by vendor under the Order, and vendor shall be liable to BB&B for any excess cost to BB&B.
- (b) In addition to BB&B's right to terminate an Order for cause pursuant to Paragraph 8 (a) above, BB&B may terminate an Order in whole or in part at any time upon notice to vendor. On receipt by vendor of such notice, vendor shall, to the extent specified therein, stop work thereunder and the placement of work with subcontractors, terminate work under subcontracts outstanding thereunder, and take any necessary action to protect property in vendor's possession in which BB&B has or may acquire an interest. In such event, BB&B shall pay to vendor the amounts due for supplies delivered and accepted or services completed in accordance herewith prior to the effective date of termination.
- (c) Any termination by BB&B whether for cause or otherwise, shall be without prejudice to any claims for damages or other rights of BB&B against vendor.
- (d) Vendor shall continue performance of the Order to the extent not terminated.
9. BB&B shall have the right to refuse Merchandise not in accordance with specifications or industry standard, or which is different in quality or quantity from that ordered, or which is shipped otherwise than as specified under the Order. BB&B may, at its sole discretion, either return rejected Merchandise or hold same at vendor's risk and expense, and may, in either event, charge the vendor with the cost of transportation, U.S. Customs duties and taxes, shipping, unpacking, examining, repacking, storing, reshipping and other like expenses. If vendor fails to accept Merchandise returned by BB&B, then BB&B shall have the right to dispose of such Merchandise by any means, including, but not limited to, processing pursuant to the BB&B "deduct and dispose" policy, sale "as-is" at a liquidation price, donation or charity, depending on the condition of the Merchandise and to charge back Vendor in an amount equal to the cost of the Merchandise. If within twenty-one (21) days after a request by BB&B for direction regarding disposition of rejected Merchandise, vendor does not respond to BB&B, or fails to provide appropriate direction, BB&B shall have the right to dispose of the Merchandise by any means, including, but not limited to, processing pursuant to the BB&B "deduct and dispose" policy, sale "as-is" at a liquidation price, donation or charity, depending on the condition of the Merchandise and to charge back Vendor in an amount equal to the cost of the Merchandise. Acceptance of any prior shipments contrary to the Order shall not be considered a waiver of BB&B's right to

return or dispose any or all of the merchandise and receive full credit therefore. Authorization for substitution of style, color, size, quantity or a combination thereof, is permitted only upon the written, signed and dated consent of the BB&B buyer. Any claims for defective Merchandise, shortages, returns, damages, or other claim or set off asserted as a result of vendor's failure to comply with these Terms and Conditions made by BB&B will be charged back to vendor and the amount thereof deducted from payments to be made to vendor or, alternatively, will be promptly refunded to BB&B.

10. BB&B may at any time after delivery of the Merchandise (and whether same has been inspected, accepted or tested by BB&B) return all or part of the Merchandise if any part is found to be in a damaged or defective condition, and vendor shall refund to BB&B in full the price paid by BB&B for such returned Merchandise together with any other charges identified herein. Any Merchandise so returned shall be at vendor's risk and expense. BB&B may also return any Merchandise to the extent the circumstances set forth in Section 8 (a) (3), (4) or (5) exist, and vendor shall refund to BB&B in full the price paid by BB&B for such returned Merchandise together with any other charges identified herein. In addition, where entire shipments or significant portions of programs are found to be in a damaged or defective condition, BB&B, in addition to any rights and remedies it may have under applicable law, including the right to recover its lost sales, also reserves the right to charge vendor 20% of the cost of all such goods to offset expenses that may arise from excess floor moves and customer dissatisfaction.

11. For any Merchandise (i) returned to vendor by BB&B; or (2) made or procured for BB&B but, for whatever reason, not delivered to BB&B, which may be offered by vendor to third parties, Vendor shall remove any price tags, labels, stickers or other markings that identify BB&B, as well as any BB&B trademarks, prior to offering such Merchandise for sale. **In addition, BB&B retains the right of prior approval of any distribution channel through which the vendor proposes to resell the Merchandise. BB&B further retains the right of prior approval of the method of removal of all references to BB&B on the product or packaging.**

12. The parties hereto agree that if vendor has represented that it will publicly advertise the Merchandise in accordance with a proposed schedule and thereafter Vendor shall, without the prior written approval of BB&B, fail to advertise Merchandise in accordance with such schedule, BB&B may return such Merchandise to vendor and may charge the vendor with the cost of transportation, shipping, unpacking, examining, repacking, reshipping and other like expenses. Any claims for failure to advertise the Merchandise in accordance with such schedule made by BB&B shall be charged back to vendor and the amount thereof deducted from payments to be made to vendor or, alternatively, to be promptly refunded to BB&B. ANY ADVERTISING, PRESS RELEASE OR PUBLIC STATEMENT THAT WILL USE ANY SERVICE MARK OF BB&B IS SUBJECT TO PRIOR WRITTEN APPROVAL OF BB&B, AS FURTHER DESCRIBED IN THE BB&B VENDOR COMPLIANCE GUIDE.

13. BB&B reserves the right to deduct from any amount due vendor for Merchandise ordered any amount vendor owes BB&B with respect to any claims of any nature whatsoever in favor of BB&B against vendor, whether or not related to the Order and whether now existing or hereafter arising, and any assignee of the vendor's rights to payment hereunder shall be subject to BB&B's rights under this paragraph. BB&B may also, in its sole discretion, place a temporary hold on amounts due vendor in an amount equal to the actual/estimated value of any allowance or rebate negotiated by the parties, including but not limited to any guaranteed sale or markdown, in order to ensure the availability of funds to cover such allowance or rebate. Upon the release of such hold, any invoice that had been included in the amount held shall, for purposes of aging and any applicable terms discount, be considered to have been received by BB&B on the date the hold was released. BB&B shall be entitled to any terms discount agreed upon by the parties for all such invoices, provided that the discount terms, as measured from the date of release of the hold, are met.

14. BB&B reserves the right to withhold any payments due Vendor or Buying/Selling Agent, without penalty or forfeiture, until all disputes whether or not related to the Order and whether or not existing or arising in the future between BB&B and Vendor or Buying/Selling Agent, are settled. In the event a legal action is filed against BB&B that relates to vendor's product, including but not limited to actions alleging intellectual property infringement or personal injury or death, BB&B may place a hold on vendor's account equal to BB&B's reasonable, good-faith estimate of its exposure for the claims alleged in the action, and may keep such hold in place, at its sole discretion, until the action is resolved or vendor posts adequate security for such exposure. BB&B may also, in its sole discretion, place a temporary hold on amounts due Vendor in an amount equal to the actual/estimated value of any allowance or rebate negotiated by the parties, including but not limited to any guaranteed sale or markdown, in order to ensure the availability of funds to cover such allowance or rebate. Upon the release of such hold, any invoice that had been included in the amount held shall, for purposes of aging and any applicable terms discount, be considered to have been received by BB&B on the date the hold was released. BB&B shall be entitled to any terms discount agreed upon by the parties for all such invoices, provided that the discount terms, as measured from the date of release of the hold, are met.

15. Vendor shall defend, indemnify and hold BB&B harmless against any and all alleged, actual or threatened liability, claim, loss or damage arising in connection with the possession, handling, use, misuse, resale, labeling, marking or return of the Merchandise ordered (and if the Merchandise shall include the sales of services, the provision of such services), including but not limited to (i) actions for bodily injuries (including death) and/or loss or damage to tangible personal property; (ii) patent, copyright and trademark infringement actions, or actions arising from vendor's breaching of its representations, covenants and warranties made herein. Vendor shall defend every suit that may be brought against BB&B by reason of any of the foregoing, whether meritorious or not, and shall pay all expenses and fees of counsel which shall be incurred in connection with such defense, together with all costs, damages and profits recoverable in every such suit or settlement thereof. If vendor fails to take timely action to defend such a suit, BB&B may defend such suit at vendor's expense. BB&B, in addition to any other rights, may forthwith cancel any unshipped portion of the Order and return prior deliveries to vendor for payment or credit. With respect to any claims falling within the scope of the foregoing indemnifications, vendor agrees to keep BB&B fully advised with respect to such claims and the progress of any suits. Additionally, BB&B shall have the right to participate, at vendor's expense, in any suit instituted against it, and to designate attorneys to defend it. Any designated attorneys shall be independent of attorneys chosen by vendor relating to such claim or any related claim. Vendor is not to settle, compromise or otherwise enter into any agreement regarding the disposition of any claim against BB&B without the

written consent and approval of BB&B. For purposes of this paragraph, "BB&B" includes the companies' respective successors, assigns, officers, directors, employees and agents

16. Vendor consents to the jurisdiction of, and agrees that any suit, action or proceeding arising out of or in any way related to the Merchandise shall be brought in either (i) the courts of the State of New Jersey or the United States District Court for the District of New Jersey; or (ii) the courts of the State of New York or the United States District Court for the State of New York which are located in the Borough of Manhattan. Vendor waives any objection it may have to the venue of any such controversy that is brought in the aforementioned courts and waives any claim that any such controversy has been brought in an inconvenient forum. Vendor agrees that, in the event of litigation between BB&B and vendor with respect to Merchandise, BB&B shall be entitled to recover reasonable attorneys' fees in the event it is the prevailing party on any claim or defense.

17. Time is hereby made of the essence of the Order. If delivery of Merchandise is not completed by the date set by BB&B, BB&B reserves the right, without liability and in addition to its other rights and remedies at law, in equity or under the terms of the Order, to purchase elsewhere and hold vendor liable for any additional cost incurred thereby, and any other loss, damage or expense incurred thereby. Vendor shall pay any loss, cost, damage or expense resulting from the untimely receipt or lack of receipt of the Merchandise ordered. Vendor shall notify BB&B immediately if it's unable to ship timely. BB&B shall have the right to refuse any goods untimely delivered and to cancel the balance of the Order for any part of the goods due after untimely delivery of any installments. By accepting the untimely delivery of any installment, BB&B shall not be bound to accept future shipments nor be deprived of its right to return Merchandise already accepted nor to claim damages for untimely delivery.

18. BB&B shall have the right to require vendor to postpone shipment of Merchandise or suspend work covered by the Order and vendor shall take all reasonable steps or minimize costs during such suspension. Equitable adjustment shall be made to the price, delivery schedule or other provisions affected by the suspension, provided that the claim for equitable adjustment is made within thirty (30) days after BB&B directs the continuation of the work.

19. Except as otherwise provided herein, and unless prohibited by statute, vendor shall pay any federal, state, provincial or local use tax, transportation excise tax, or other tax which may be imposed in connection with the performance of the Order.

20. BB&B's failure to insist on strict performance of any term or terms hereunder shall not constitute a waiver of any term or default by vendor. Any waiver of any breach or default hereof shall not constitute a waiver by BB&B of any other or subsequent breach or default of vendor.

21. The prices specified in the Order are not subject to any additional charges for packing or preparation for shipment or because of increased costs of operation, or because of any taxes or excises levied on processors, manufactures, and wholesalers or otherwise. The Order shall not, without written authorization from BB&B, be filled at higher prices than specified therein, or, if the Order is unpriced, at prices higher than last charged or quoted to BB&B for Merchandise described therein. Vendor agrees that any price reduction made in Merchandise described in the Order prior to the delivery of such Merchandise to BB&B shall be applicable to the Order. Whenever price is dependent upon cubic density, such density shall be specified by vendor.

22. (a) BB&B acknowledges that it holds valid resale numbers in all states and provinces where BB&B is licensed to do business (excluding states or provinces not recognizing sales for resale as sales tax exempt).
(b) Vendor shall furnish BB&B, when required by law, attention BB&B's Tax Department, the appropriate exemption certificate which shall be completed by BB&B and returned to vendor. BB&B's "Blanket Resale Certificate" may be substituted by BB&B, if permitted by law.

23. BB&B and vendor hereby expressly exclude the application of the United Nations Convention on Contracts for the International Sale of Goods in its entirety to these terms and conditions and all transactions occurring hereunder unless otherwise expressly agreed to in writing by BB&B and vendor.

24. (a) Under no circumstances may vendor use the name "Bed Bath & Beyond", buybuy Baby, or Harmon or Harmon/Face Values in any advertising or press release without the express written approval of the specific advertising or press release by the BB&B Marketing Department.
(b) With respect to any vendor created advertising (including, without limitation, product photos, digital images, in store video, digital video, and ad copy, referred to collectively as "Advertising Materials") that vendor provides to BB&B for use by BB&B, vendor hereby grants to BB&B the irrevocable, world-wide, royalty free right to use Advertising Materials in any medium, form or fashion as BB&B deems appropriate, including the right to create derivative works thereof. BB&B agrees not to use Advertising Materials in a manner that defames vendor or vendor's products and will make good faith efforts to comply with Vendor's requirements for proper use of trademarks.
(c) With respect to any Advertising Material provided by vendor, vendor warrants and represents that: (i) the Advertising Material does not infringe or violate any copyright, trademark, patent, trade secret or any other proprietary or other right of any third party; (ii) the Advertising Material is not libelous (if vendor later learns that the Advertising Material is libelous, vendor will immediately inform BB&B; BB&B retains the right to immediately remove the Advertising Material upon receiving notice from the vendor or a third party that the Advertising Material is libelous); (iii) the Advertising Material submitted, including any advertising claims contained therein, is accurate and complies with all applicable laws, regulations, and standards (if vendor later learns that fact(s) contained within Advertising Material is (are) inaccurate, vendor will immediately inform BB&B; BB&B retains the right to remove immediately the Advertising Material upon receiving notice from the vendor or a third party that any fact(s) contained within Advertising Material is (are) inaccurate) and (iv) the Advertising Material contains no virus, mal-ware, or other code that will affect BB&B's computer system or the computer system of any user of the Advertising Material.

25. Alcoholic Beverage Vendors Only. The relationship between BB&B and vendors supplying it with beer, wine, or other alcoholic beverages may be governed in part by state alcoholic beverage law. To the extent the requirements of the Vendor Compliance Guide directly conflict with state alcoholic beverage law, the latter controls.

APPENDIX D – Contact Information

To assist you in directing your questions to the proper person or department, listed below is department contact information.

Department	Retail Concept	Phone Number	e-mail / Website	Address
Supply Chain Performance / Logistics / Traffic VENDOR SUPPORT	Bed Bath & Beyond	(908) 855-4780	vendor@bedbath.com / http://www.vendor.bedbath.com and https://partners.bedbath.com	650 Liberty Avenue Union, NJ 07083 Attn: Supply Chain Performance Department
	buybuy Baby	(908) 855-4780	vendor@bedbath.com / http://www.vendor.bedbath.com/buybuybaby and https://partners.bedbath.com	
	Harmon	(908) 855-4888	vendor@harmondiscout.com / http://www.vendor.bedbath.com/harmon and https://partners.bedbath.com	
EDI Coordinator	Bed Bath & Beyond	(908) 855-4382	edimail@bedbath.com	650 Liberty Avenue Union, NJ 07083 Attn: EDI Department
	buybuy Baby			
	Harmon			
Liberty Procurement Co. (Buying Office)	Bed Bath & Beyond	(908) 855-(buyer's ext)	first.lastname@bedbath.com	650 Liberty Avenue Union, NJ 07083 Attn: Buying Office
	buybuy Baby	(908) 855-(buyer's ext)		650 Liberty Avenue Union, NJ 07083 Attn: Buying Office
	Harmon	(908) 855-(buyer's ext)		650 Liberty Avenue Union, NJ 07083 Attn: Buying Office
Accounts Payable-Vendor Relations	Bed Bath & Beyond	(908) 855-2145	vendorrelations@bedbath.com	PO Box 3128 Union, NJ 07083 Attn: Vendor Relations Department
	buybuy Baby	(908) 855-4164		650 Liberty Avenue Union, NJ 07083 Attn: Vendor Relations Department
	Harmon	(908) 855-4232		650 Liberty Avenue Union, NJ 07083 Attn: Vendor Relations Department
UPC Coordinator	Bed Bath & Beyond	(908) 855-4780	vendor@bedbath.com	650 Liberty Avenue Union, NJ 07083 Attn: Supply Chain Performance Department
	buybuy Baby			
	Harmon			
New Store Ship Dates	Bed Bath & Beyond		See http://www.vendor.bedbath.com and https://partners.bedbath.com for updates	
	buybuy Baby		See http://www.vendor.bedbath.com/buybuybaby and https://partners.bedbath.com for updates	
	Harmon		See http://www.vendor.bedbath.com/harmon/ and https://partners.bedbath.com for updates	
Quality Assurance	Bed Bath & Beyond	(908) 855-5330	VendorQualityAssurance@bedbath.com	650 Liberty Avenue Union, NJ 07083 Attn: Quality Assurance
	buybuy Baby			
	Harmon			
Shelf Level Packaging/Labeling Information	Bed Bath & Beyond		VendorPackagingQuestions@bedbath.com	
	buybuy Baby			
	Harmon			
Labels –	Bed Bath & Beyond	W-Print Sandra Aguggia (516) 582-5867	sandra.aguggia@wstudiocn.com	
	buybuy Baby			
	Harmon			
International Bed Bath & Beyond Locations	Bed Bath & Beyond	(908) 855-4780	vendor@bedbath.com	
	buybuy Baby			
	Harmon			
Vinyl Bags	Bed Bath & Beyond	EA International Alberto Minoccheri (718) 788-0304	alberto.m@eaintl.com	
	buybuy Baby	Imex Packaging Steve Jefferies (704) 815-4600	sjeffrey@imexvp.com	
	Harmon			

Hangers	buybuy Baby	Uniplast Industries Andy Rupp (201)288-4540 ext.127	arupp@uniplastindustries.com	Uniplast Industries 1-5 Plant Road Hasbrouk Heights, NJ 07604
		Sourcing Solutions International Robert Schlossberg (201)244-8817 ext. 203	raschlossberg@ss-intl.com	Sourcing Solutions International 195 North Washington Avenue Bergenfield, NJ 07621
Printers for Packaging	Bed Bath & Beyond	W-Print Sandra Aguggia (516) 582-5867	W-Print sandra.aguggia@wstudiocn.com	r-pac International Corporation 132 West 36th St., 7th Floor New York, NY 10018
	buybuy Baby	r-pac International Alyson Lapidus (212) 465-1818 ext. 234	r-pac International Corporation alyson.lapidus@r-pac.com	
	Harmon			
Marketing	Bed Bath & Beyond	(908) 855-5477	marketing@bedbath.com	650 Liberty Avenue Union, NJ 07083 Attn. Marketing Department
	Buybuy Baby			
	Harmon			
Harmon Warehouse	Harmon	973-256-0989 fax: 973-256-2618	harmon.vendor.warehouse@harmondiscout.com	11 Taft Road Totowa, NJ 07512